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# 2021 Banking & Finance

## Table of Contents

2021 Banking & Finance - January.....	3
2021 Banking & Finance - February .....	10
2021 Banking & Finance - March .....	20
2021 Banking & Finance - April .....	31
2021 Banking & Finance - May.....	46
2021 Banking & Finance - June .....	58
2021 Banking & Finance - July .....	70
2021 Banking & Finance - August.....	85

## 2021 Banking & Finance - January

### RBI IN NEWS

#### RBI Releases Report on Trend and Progress of Banking in India 2019-20

On December 29, 2020, Reserve Bank of India (RBI) released “Report on Trend and Progress of Banking in India 2019-20” under theme of impact of COVID-19 on banking and non-banking sectors, and the way forward. This report for the year ended June 30, 2020 has been submitted to the Central Government in terms of Section 36(2) of the Banking Regulation Act, 1949. The report presented the performance of the banking sector, including co-operative banks, and non-banking financial companies (NBFCs) during 2019-20....[Click here for complete detail](#)

#### RBI Unveils Digital Payment Index: January 2021

On January 1, 2021, the Reserve Bank of India (RBI) introduced the RBI-Digital Payments Index (DPI) to measure a growth in digital or cashless transactions across the country. It was released on the lines of the Statement on Developmental and Regulatory Policies as part of the Sixth Bi-monthly Monetary Policy Statement for 2019-20 dated February 06, 2020. For the index, the RBI has set the base year 2018, i.e. DPI score for March 2018 is set at 100.

#### RBI Launched Jan 2021 Round of “Consumer Confidence Survey” & “Inflation Expectations Survey of Households”

Reserve Bank of India (RBI) launched the January 2021 round of household surveys namely “Inflation Expectations Survey of Households (IESH)” and “Consumer Confidence Survey (CCS)” to represent inflation expectations and consumer confidence. These surveys will act as useful inputs for RBI’s monetary policy which is scheduled to be announced by Monetary Policy Committee (MPC) on February 3-5, 2021. In accordance with RBI’s “Quarterly Basic Statistical Returns (BSR)-1: Outstanding Credit of Scheduled Commercial Banks (SCBs), September 2020”, Bank credit growth on y-o-y basis stood at 5.4% in Q2FY21 compared to 5.7% growth in the Q1FY21.

#### RBI to Introduce LEI for Large-Value Transactions in RTGS/NEFT from April, 2021

Reserve Bank of India (RBI) announced the introduction of Legal Entity Identifier (LEI) for all payment transactions of Rs 50 crore and above undertaken by entities through Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT). The directions for the same have been issued by RBI under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

#### RBI announces Operationalization of Payments Infrastructure Development Fund (PIDF) Scheme

Reserve Bank of India (RBI) announced Operationalization of the Payments Infrastructure Development Fund (PIDF) Scheme with an initial corpus of INR 345 Crores for three years starting from January 1, 2021 & may be extended for two more years depending upon the progress. An Advisory Council (AC) under the chairmanship of RBI Deputy Governor BP Kanungo will be responsible for managing the functioning of PIDF.

#### RBI cancels Licence of Vasantdada Nagari Sahakari Bank, Osmanabad (Maharashtra)

Reserve Bank of India (RBI) cancelled the licence of Osmanabad (Maharashtra)-based Vasantdada Nagari Sahakari Bank Ltd. to carry on banking business with immediate effect under Section 22(1) read with Section 56 of Banking Regulation (BR) Act, 1949. The banking business includes acceptance of deposits and repayment of deposits as defined in Section 5(b) read with Section 56 of the Banking Regulation Act, 1949.

## RBI forms WG to Examine Lending Transactions via Online Portals, Apps

Reserve Bank of India (RBI), has formulated a 6-member **Working Group (WG)** to study all aspects of digital lending activities (including lending through online platforms and mobile apps) in the regulated financial sector as well as by unregulated players so that an appropriate regulatory approach can be put in place. The group will be chaired by Jayant Kumar Dash, Executive Director, RBI and will submit its report within three months.

## Small Finance Banks' Assets Grew 150% Annually between FY18-FY20 & NPA ratio

### Moderate:RBI

In accordance with an article 'Small Finance Banks: Balancing Financial Inclusion and Viability' published in Reserve Bank of India's (RBI) monthly bulletin on January 21, 2021, the assets of Small Finance Banks (SFBs) between financial years (FY) 2017-18 and 2019-20 have grown 150% annually. Their share in total assets of the financial sector stood at 0.4% in March 2019. The article prepared by Richa Saraf and Pallavi Chavan from the RBI's Department of Supervision provided an overview of SFB's business between FY 2017-18 and 2019-20.

- The bad loan ratio or NPA ratio is low among the freshers of India's financial system. Notably their NPA remained moderate inception, which states a healthy asset quality.

## RBI proposes 4 Layered Bank-Like Norms for NBFCs

Reserve Bank of India (RBI) released a Discussion Paper on "Revised Regulatory Framework for NBFCs- A Scale-Based Approach" on the lines of the announcement made in the Statement on Developmental and Regulatory Policies on December 4, 2020. It envisages a four-layered regulatory and supervisory framework for NBFCs namely Base Layer (BL), Middle Layer (ML), Upper Layer (UL) and a possible Top Layer (TL)...[Click here for more detail](#)

## Overseas investment by Indian companies fell 42% to \$1.45 billion in Dec 2020

In accordance with the Reserve Bank of India (RBI) data, overseas investment by domestic firms fell by over 42% to USD 1.45 billion in December 2020 in comparison to USD 2.51 billion in December 2019. Of the total FDI investment, USD 775.41 million was in the form of equity infusion, USD 382.91 million was in the form of loan, and USD 287.63 million was in the form of issuance of guarantee. In November 2020, the total outward foreign direct investment (OFDI) was also trimmed by 27% to USD 1.06 billion as compared to October 2020.

## RBI issues Framework for Strengthening Grievance Redress Mechanism in Banks

Reserve Bank of India (RBI) announced a comprehensive framework to strengthen the grievance redress mechanism in banks and also to provide greater insight into the volume and nature of complaints received by the banks. The grievance redressed process through Offices of Banking Ombudsman (OBOs) will continue to remain free for the banks and customers under BO Scheme, 2006 (BOS). This newly introduced framework is on the lines of 'Statement on Developmental and Regulatory Policies' issued as part of the Monetary Policy statement on December 4, 2020. [Click here for more detail](#)

## BANKING TECHNOLOGY

### IOCL in Partnership with SBI Launches 'IndianOil - SBI Co-branded RuPay Debit Card'

Indian Oil Corporation Limited (IOCL) in partnership with State Bank of India (SBI) launched 'IndianOil - SBI co-branded RuPay Debit Card'. The card was launched by Mr. Shrikant Madhav Vaidya, Chairman of Indian Oil and Mr. Dinesh Kumar Khara, Chairman of SBI, in a virtual ceremony. This contactless card can be used anywhere in India.

### **YES Bank & Aditya Birla Wellness partnered to Launch 'YES Bank Wellness' and 'YES Bank Wellness Plus' Credit Cards**

YES Bank headquartered at Mumbai, Maharashtra partnered with Aditya Birla Wellness Private Limited to launch 'YES Bank Wellness' and 'YES Bank Wellness Plus' Credit Cards. This co-branded wellness themed credit cards encourages self-care and fitness of consumers and to encourage & promote holistic health (mental and physical) and wellness of consumers.

### **Airtel Payments Bank Launched 'Airtel Safe Pay', a Safe Mode to Make Digital Payments**

Airtel Payments Bank headquartered at New Delhi has launched 'Airtel Safe Pay' to protect the customers when they make digital transactions through Unified Payment Interface (UPI) or net-banking. This safe payment gateway is free of cost, will and offers protection against phishing, stolen credentials or passwords, and phone cloning. Customers can make digital transactions across merchants, online retailers, and transfer money through Airtel Safe Pay. Airtel Payments Bank account can be opened through a video call using the Airtel Thanks application.

### **StashFin Partners with SBM Bank India to Launch 'StashFin SBM card', a Contactless Prepaid Card**

StashFin entered into partnership with SBM Bank (India) Ltd to launch their co-branded prepaid card, 'StashFin SBM card'. The card is powered by Visa and has a contactless Europay, MasterCard, and Visa (EMV) chip, enabling cardholders to have 24x7 access to funds. It has been designed through collaboration. It acts as a personal overdraft facility, enabling customers to take loans up to Rs 5 Lakhs.

## **AGREEMENTS & MoUs SIGNED**

<b>BANKS</b>	<b>SIGNED WITH</b>	<b>KEY NOTES</b>
Asian Development Bank (ADB)	Government of India (GoI)	Signed a USD 231 Million (~ INR 1688.5 Crores) Loan Agreement for the Assam Power Sector Investment Program (APSIP) for the construction of Lower Kopili Hydroelectric Power (LKHEP) plant. This is the 3rd Tranche Loan for the program which was approved by ADB board in July, 2014.
World Bank	Government of India (GoI), West Bengal (WB)	Government of India (GoI), Government of West Bengal (WB) & World Bank headquartered at Washington, D.C., United States signed USD 105 Million Project (approximately INR 767 Crores) for the West Bengal Inland Water Transport, Logistics and Spatial Development Project to improve inland water transport infrastructure in Kolkata, West Bengal. The Loan for the project is provided by International Bank for Reconstruction and Development (IBRD).
Bandhan Bank	Indian Army	Bandhan Bank Ltd headquartered at Kolkata, West Bengal signed a Memorandum of Understanding (MoU) with the Indian Army for the Bandhan Bank Shaurya Salary Account. The serving personnel of Indian Army will be provided the services of the account through the Bank's network of banking outlets. It is a zero-balance salary account with 6% interest on balance above Rs.1 lakh.
New Development Bank (NDB)	Govt of India (GoI), Andhra Pradesh (AP)	Govt of India (GoI), Govt of Andhra Pradesh (AP) and New Development Bank (NDB) headquartered at Shanghai, China signed loan agreement worth USD 646 million (about Rs 4,736 crore) for 2 projects to upgrade State Highway Network and District Road Network in AP. The Loan amount of USD 323

		million(about Rs 2,368 crore) for each project will be given by NDB. 2 projects include: Andhra Pradesh Roads and Bridges Reconstruction Project and Andhra Pradesh Mandal Connectivity and Rural Connectivity Improvement Project.
Bank of Baroda (BoB)	Small Industries Development Bank of India (SIDBI)	To enable micro, small and medium enterprises (MSMEs) customers of the former to apply online for one-time restructuring (OTR). The eligible MSME entities can get credit exposure up to Rs 25 crore. The MSME Customer can now access the web-based portal, 'Asset Restructuring Module for MSMEs (ARM-MSME)'.
Central Bank of India (CBoI)	NABFOUNDATION	Central Bank of India (CBoI) headquartered at Mumbai, Maharashtra signed Memorandum of Understanding (MoU) with NABFOUNDATION to provide working capital for Self-Help Groups (SHGs) to undertake 'My Pad My Right' project, sponsored by NABARD. As per the MoU, working capital will be provided by the bank to all SHGs who have an account with it. The funds will be provided collateral free and at a cheaper rate.
Karnataka Vikas Grameena Bank (KVGB)	Jai Kisan	Karnataka Vikas Grameena Bank (KVGB) headquartered at Dharwad, Karnataka has signed a Memorandum of Understanding(MoU) with Jai Kisan, a rural-focused fintech platform of Greenizon Agritech Consultancy Pvt Ltd to expand access to financial services for individuals and businesses in Karnataka, including farmers and non-farmer entrepreneurs.
State Bank of India (SBI)	Mahindra Lifespace Developers	To speed up the home loan approvals as well as offer special discounts to customers and employees of both the companies. It provides various co-promotional activities and outreach initiatives, customers and employees of SBI and Mahindra Lifespace.

## OTHER BANKING NEWS

### RuPay Partnered with RBL Bank to Launch 'RuPay PoS'

On December 31, 2020, the international card payment service RuPay partnered with RBL Bank to launch an innovative payment solution for Indian merchants "RuPay PoS" in association with PayNearby. The announcement for the same was made by National Payments Corporation of India (NPCI). This collaboration will transform smartphones into merchant Point of Sale (PoS) terminals for the retailers.

### Centre Issues Rs 5,500 cr Zero-Coupon Bonds for P&SB recapitalisation

In a first of its kind move Central Government has issued Rs 5,500 crore in zero-coupon bonds to recapitalize Punjab and Sind Bank (P&SB) by allowing it to park the paper in its held-to-maturity (HTM) category at face value rather than the discounted market rate. This move of capital infusion was approved by the Ministry of Finance on November 10, 2020. The bond will mature in tranches between 2030 to 2035.

### PNB Collaborates with IIT Kanpur & FIRST to Set up Fintech Innovation Centre at IIT Kanpur Campus

Punjab National Bank (PNB) headquartered at NewDelhi partnered with Indian Institute of Technology (IIT) Kanpur and Foundation for Innovation & Research in Science & Technology (FIRST) to jointly set up 'Fintech Innovation Centre (FIC)', the Punjab National Bank – IIT Kanpur Innovation Centre at the IIT Kanpur campus. Under this partnership, PNB and IIT Kanpur will set up a FIC to do research and

develop technological solutions to address challenges & explore opportunities in Banking, Financial Services and Insurance (BFSI) space.

### **ICICI Bank ties up with Niyo to issue prepaid cards 'ICICI Bank Niyo Bharat Payroll Card' to MSMEs**

Industrial Credit and Investment Corporation of India (ICICI) Bank collaborated with Niyo, a new age fintech to issue prepaid cards namely "ICICI Bank Niyo Bharat Payroll Card" to the blue-collar workers of Micro, Small & Medium Enterprises (MSMEs). This will enable MSMEs to upload the salaries of their workers on the card, which the workers can then utilise as per their need and allows an individual to receive funds upto 1 lakh into the card account. Niyo also offers a multilingual app called 'Niyo Bharat Mobile app' which enable workers to transfer funds

### **Union Minister Nitin Gadkari Virtually Launched YES Bank's 'YES MSME', a Proposition for MSMEs**

Nitin Gadkari, Union Minister MSME virtually launched YES Bank's YES MSME to support MSMEs to expand their business, sustain momentum and accelerate growth. It is a comprehensive proposition to strengthen MSMEs with speed and easy access to funds, knowledge partnerships and digital solutions. It will offer collateral-free funding up to INR 5 crore.

### **SBI, ICICI Bank, HDFC Bank remains in the 2020 list of D-SIBs**

Reserve Bank of India (RBI) released the 2020 list of Domestic Systemically Important Banks (D-SIBs) under five buckets on the basis of data collected from banks as on March 31, 2020. As per the list SBI, ICICI, and HDFC continue to be D-SIBs or institutions which are 'too big to fail (TBTF)'. ICICI Bank and HDFC Bank are in bucket one while SBI is in bucket three. The assets of the bank exceeding 2% of GDP (Gross Domestic Product) are considered part of D-SIBs.

### **Axis Bank Launched 'AURA', a Credit Card with Affordable Health and Wellness Benefits**

Axis Bank Ltd launched 'AURA', a credit card with health and wellness benefits at an affordable price for its individual users. The features of the card is powered by Poshvine, Decathlon, Practo, Fitternity, IndushealthPlus, 1MG etc., Through this card, the users can have access to 16 recorded training sessions for one month.

### **PPBL Partners with Suryoday SFB to Launch FD Service & Becomes India's 1st Payment Bank to Launch the Multi Partner FD Service**

Paytm Payments Bank Ltd (PPBL) partnered with Suryoday Small Finance Bank(SFB) Ltd to enable its account holders to avail Fixed Deposit(FD) services. It is to be recalled that PPBL has been offering FD services in partnership with IndusInd bank with a minimum investment of Rs. 100. PPBL with the partnership with Suryoday SFB has become the 1st payments bank in India to launch the multi-partner FD service. Through this service an account holder can select the partnered bank as per their preference.

### **SBI Executed Money Market Deals linked to SOFR**

State Bank of India (SBI) has executed two inter-bank short term money market deals with pricing linked to SOFR (Secured Overnight Financing Rate) through its Hong Kong (China) branch. The transaction states the growth of SBI in Alternate Reference Rates (ARRs).

ARRs are overnight rates which are published at the end of the overnight borrowing period. This means they are "backward-looking."

### **GrayQuest Partners with SBM Bank India to Enhance Access to Quality Education in India**

GrayQuest partnered with SBM Bank (India) Limited to help its clients to access affordable funds to pay their children's education fees in monthly payments. GrayQuest has partnered with over 2000 leading schools, colleges and universities across India to enable this kind of payment.

### **Govt of India Increased Authorized Share Capital of Punjab & Sind Bank From Rs 3,000 Crore to Rs 10,000 Crore**

Government of India has increased the authorised share capital of Punjab & Sind bank to Rs 10,000 crore from Rs 3,000 crore. The government in 2020 had approved to infuse Rs 5,500 crore capital into the bank by preferential allotment of shares. The fund was approved from Rs 20,000 crore cleared by the Parliament in September 2020 to infuse capital in Public Sector Banks (PSBs) as part of the 1st batch of Supplementary Demands for Grants for 2020-21.

### **IDFC First Bank Enters into Credit Card Business**

IDFC First Bank with headquarters in Mumbai, Maharashtra has entered the credit card business. The bank will charge interest between 9% and 36% on revolving credit, based on the customer's track record, credit score, relationship with the bank and internal scoring. In India the credit card businesses charge about 40% interest per annum on revolving credit which is about 3.5% per month. It will not charge interest on cash withdrawals during the 45-day free credit period.

### **HDFC Bank Partners with CSC to Launch EMI Collection Service for Business Correspondents**

HDFC Bank headquarters at Mumbai, Maharashtra and CSC e-Governance Services India Ltd, a Special Purpose Vehicle (SPV) under the Ministry of Electronics & Information Technology (MeitY) had entered into partnership to launch Equated Monthly Installment (EMI) service that allows Business Correspondents (BCs) to collect HDFC Bank's EMIs at CSCs across India. This initiative helps to enable customers to deposit their overdues without the need to visit bank branches. Business Correspondents are said to be retail agents engaged by banks to provide banking services at locations other than a bank branch/Automated Teller Machine-ATM.

## **FINANCE NEWS**

### **IFSCA Becomes an Associate Member of International Organisation of Securities Commissions**

On 1st January 2021, the International Financial Services Centres Authority (IFSCA) became an associate member of the International Organisation of Securities Commissions (IOSCO), an international organisation which sets the global standards for securities markets regulation. The membership will support IFSCA with a platform to exchange information at global level and regional level in the fields of common interest.

### **Bajaj Allianz General Partners with J&K government for PMJAY SEHAT**

Bajaj Allianz General Insurance in association with Jammu & Kashmir Government launches health insurance coverage under Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) Social, Endeavour for Health, and Telemedicine (SEHAT). This extended scheme was launched by Prime Minister of India, Mr. Narendra Modi.

### **SMCB Becomes India's 1st Urban Co-operative Bank to Convert into Small Finance Bank under Voluntary Transition Scheme**

Reserve Bank of India (RBI) has issued a scheduled commercial banking license to Shivalik Mercantile Co-operative Bank (SMCB) headquartered at Saharanpur, UP Ltd to carry on business as a Small Finance Bank (SFB) under its 'Scheme on voluntary transition of Urban Co-operative Bank (UCB) into a

Small Finance Bank'. It is the 1st UCB in India to transit to SFB under the scheme. SMCB is renamed as Shivalik Small Finance Bank (SSFB).

### **IRDAI mandates Insurers to offer 3 Standard Insurance Products to Cover Risk of Fired & Allied Perils**

Insurance Regulatory and Development Authority of India (IRDAI) has mandated General Insurance Companies to offer 3 standard Insurance Products namely – Bharat Griha Raksha, Bharat Sookshma Udyam Suraksha & Bharat Laghu Udyam Suraksha to cover risk of fire & allied perils from April 1, 2021. The 3 policies will replace the Standard Fire and Special Perils (SFSP) Policy.

### **PhonePe in Association with ICICI Prudential Life Insurance Launches Term Life Insurance Plans on its Platform**

PhonePe headquartered at Bengaluru, Karnataka in partnership with ICICI Prudential Life Insurance Co Ltd launched Term Life Insurance plans on its platform. This policy can be availed by PhonePe users instantly on PhonePe app through an all-digital process without the need of any health check-ups and paperwork

### **Universal Sampo General Insurance Company Limited ties-up with Jammu & Kashmir and Ladakh Finance Corporation**

Universal Sampo General Insurance Company Limited has joined hands with Jammu & Kashmir and Ladakh Finance Corporation (JKIDFC) to initiate comprehensive insurance covers for the customers of Jammu, Kashmir and Ladakh. JKIDFC is operational in the entire territory of Jammu, Kashmir and Ladakh and works towards enhancing industrial growth in this area by providing financial assistance to various Small and Medium Enterprises (SMEs) besides others.

### **Japan Commits Rs 2,113 cr Loan Pact to India to Support COVID-19 Relief Efforts**

A loan agreement was signed between India and Japan for JPY (Japanese yen) 30 billion (Rs 2,113 crore) to support India's efforts at providing social assistance to the poor and vulnerable households severely impacted by the Covid-19 pandemic. It is named as Covid-19 Crisis Response Support Loan for Social Protection. Japan's Covid-related assistance to India amounts to more than Rs 5,800 crore.

### **India Post Payments Bank Collaborated with FSS to Promote Financial Inclusion**

India Post Payments Bank (IPPB) headquartered at New Delhi, Delhi has collaborated with the leading payment processor and provider of integrated payment products, Financial Software and Systems (FSS) to promote Financial Inclusion in underserved and unbanked segments of India. To attain this purpose, IPPB will use FSS' Aadhaar Enabled Payment System (AePS). The objective of this collaboration to provide doorstep delivery of banking service to customers in India.

### **Kotak Mahindra AMC Signed up with Climate Action 100+**

Kotak Mahindra Asset Management Company (KMAMC) has become a signatory to Climate Action 100+ to achieve the Paris Agreement's goals. In April 2018, KMAMC became the first domestic AMC to sign up with the Principles for Responsible Investment supported by the United Nations (UN). Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. It will continue till 2023.

### **IIFL Home Finance Ltd & Standard Chartered Bank Enters into Co-Lending Arrangement**

IIFL Home Finance Ltd and Standard Chartered Bank of India headquartered at Mumbai, Maharashtra entered into a co-lending arrangement to extend credit to MSME loans (loan against property). It is to be noted that this is one of the 1st co-lending arrangements in industry after Reserve Bank of India (RBI) launched Co-Lending Model (CLM).

# 2021 Banking & Finance - February

## RBI IN NEWS

### RBI Cancels Licence of Shivam Sahakari Bank Ltd, Ichalkaranji, Kolhapur, Maharashtra

Reserve Bank of India (RBI) cancelled the licence of Shivam Sahakari Bank Ltd, a co-operative bank in Ichalkaranji, Kolhapur, Maharashtra. Following the cancellation of its license, the bank will stop to carry on the banking business, which includes accepting and repaying deposits as defined in Section 5(b) read with Section 56 of the Banking Regulation (BR) Act, 1949, with effect from the close of business on January 29, 2021.

### RBI Appointed External Professional IT Firm to Audit HDFC Bank's IT Infrastructure

Reserve Bank of India has appointed an external professional IT firm to carry out a special audit of the entire IT infrastructure of HDFC bank under Section 30 (1-B) of the Banking Regulation Act, 1949. The audit will be conducted at the cost of the bank under Section 30 (1-C) of the Banking Regulation Act, 1949. The name of the IT firm was not disclosed.

### RBI Issued Risk-Based Internal Audit (RBIA) Guidelines for Select NBFCs & UCBS

Reserve Bank of India (RBI) issued guidelines on Risk-Based Internal Audit (RBIA) for selected Non-Banking Financial Companies (NBFCs) and Primary (Urban) Co-operative Banks (UCBs). The mentioned entities have to implement the RBIA framework by March 31, 2022. The guidelines also specified that these entities may also set up a committee of senior executives to formulate a suitable action plan. RBIA is an audit methodology that links with an organisation's overall risk management framework.

### Highlights of Monetary Policy Committee (MPC) on Feb 5, 2021

Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) met on 3rd, 4th and 5th February, 2021 which projected India's gross domestic Product (GDP) growth at 10.5% for the FY2021-22, 26.2 to 8.3% in H1 FY22 and 6.0 % in Q3 FY22. This is 5th Bi-Monthly Monetary Policy Committee Meeting for FY 2020-21. The projection of Consumer Price Index (CPI) inflation has been revised to 5.2% for the Q4 FY21, 5.2 % to 5.0 % in H1 FY22 and declined to 4.3% by Q3 FY22.

The MPC kept the interest rates unchanged the fourth time in a row which are as follows:

Policy Repo Rate	4.00%
Reverse Repo Rate	3.35%
Marginal Standing Facility (MSF) Rate	4.25%
Bank Rate	4.25%

### RBI Observes Financial Literacy Week 2021 from February 8 to 12

RBI observes Financial Literacy Week (FLW) annually since 2016 to promote & spread awareness about financial education messages on a particular theme through a focused campaign across India. FLW 2021 is being celebrated from February 8 to 12. It was launched by Ajay Kumar, Regional Director, RBI. Theme of FLW 2021- Credit Discipline and Credit from Formal Institutions.

### RBI Restricts Withdrawals from Independence Cooperative Bank

Reserve Bank of India (RBI) in exercise of powers vested in it under sub section (1) of Section 35 A of the Banking Regulation (BR) Act, 1949 read with Section 56 of the BR Act, 1949 has issued certain Directions to Independence Co-operative Bank Limited based in Nashik, Maharashtra due to its present liquidity position.

### **RBI announces Rs 20,000cr Open Market Operations on February 10**

In order to boost liquidity in the economy, On February 10, 2021, the Reserve Bank of India (RBI) purchase Rs 20,000 crore (\$2.74 billion) of government securities under Open Market Operations (OMO). This purchase will also boost government's borrowing programme worth Rs 12.06 lakh crore which will initiate in April 2021.

### **RBI Tightens Norms for Investments in NBFCs from 17 Non-FATF Countries**

The 17 countries (or jurisdictions) flagged by the Financial Action Task Force (FATF) under its publications of "High-risk jurisdictions subject to a Call for Action", and "jurisdictions under Increased Monitoring" will face restrictions on the fresh investments in India's Non-Banking Finance Companies (NBFCs). The restrictions put in force by the Reserve Bank of India (RBI) will not treat the FATF-flagged countries at par with the compliant jurisdictions.

### **RBI Formulates EC for Strengthening & Consolidating UCBs; Headed by N S Vishwanathan**

On the lines of the "Statement on Developmental and Regulatory Policies" released with the Monetary Policy Statement on February 05, 2021, the Reserve Bank of India (RBI) formulated an 8-member Expert Committee (EC) on Urban Cooperative Banks (UCBs). The former Deputy Governor of RBI, N. S. Vishwanathan, is the chairman of the committee. The Committee is required to submit its report within three months. Headquarters of RBI is Mumbai, Maharashtra.

### **Bank Credit Growth at 90% of FY20 level: RBI Data**

In accordance with the Reserve Bank of India's (RBI) data on Scheduled Banks' Statement of Position in India, bank credit growth in FY21 up to January 29, 2021 has reached about 90% of the same period of FY20. It should be noted that RBI has projected real GDP (Gross Domestic Product) growth at 5% in FY22.

### **RBI permits Residents to Make Remittances to IFSCs under LRS**

RBI permitted resident individuals to make remittances under Liberalised Remittance Scheme (LRS) to International Financial Services Centres (IFSCs) set up in India under the Special Economic Zone Act, 2005. In this regard, Authorized Dealer Category Banks allow resident individuals to make these remittances subject to the following conditions: The remittance shall be made only for making investments in IFSCs in securities, other than those issued by entities/companies resident (outside IFSC) in India. Any funds lying idle in the account for a period upto 15 days will be immediately repatriated to domestic INR account of the investor in India.

### **RBI issues draft guidelines on Credit Default Swaps**

On February 16, 2021, RBI has released the Draft Reserve Bank of India (Credit Derivatives) Directions, 2021 in exercise of the powers conferred under section 45W of the RBI Act 1934 read with section 45U. The guidelines are for allowing derivatives trading in the credit default swaps (CDS) in over-the-counter (OTC) markets and on recognised stock exchanges in the country. RBI invited comments on the Draft Directions by March 15, 2021.

### **RBI issues Master Directions for Housing Finance Companies**

On February 17, 2021, the Reserve Bank of India (RBI) has issued "Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021" in exercise of the powers conferred under sections 45L and 45MA of the Reserve Bank of India Act, 1934 and Sections 30, 30A, 32 and 33 of the National Housing Bank Act, 1987. These directions are come into

force with immediate effect. These are applicable to every Housing Finance Company (HFC) registered under Section 29 A of the NHB Act, 1987...[Click here for more detail](#)

### **Piramal Group Gets RBI nod to Acquire DHFL**

RBI has given approval to the Dewan Housing Finance Corporation (DHFL) resolution plan from Piramal Capital and Housing Finance (PCHFL), a company of Piramal group. Committee of Creditors (CoC) has approved the resolution plan in its 18th meeting ended on January 15, 2021. The resolution plan will revive the debt-ridden DHFL. This approval paves way for Piramal group to acquire DHFL. After RBI's Approval, Piramal Group has to seek approval from The National Company Law Tribunal (NCLT) to acquire DHFL.

### **RBI Puts Rs 1000 Withdrawal Cap on Deccan Urban Co-operative Bank Ltd. for Next 6 Months**

RBI on considering the present liquidity position of Deccan Urban Co-operative Bank Ltd., has imposed a withdrawal cap of Rs 1,000 on the customers of the bank. But, customers are allowed to set off loans against deposits subject to conditions. This is for the period of 6 months from the close of business on February 19, 2021.

### **RBI has Brought State Bank of Sikkim Under its Regulatory Purview**

Reserve Bank of India has brought the State Bank of Sikkim under its regulatory purview. The bank only operates within Sikkim and is wholly-owned by the state government. The bank is also responsible to handle the treasury function of the State. With this regulatory purview, the ownership structure of the bank will not be changed and will be regulated by the RBI on a par with other banks.

## **BANKING TECHNOLOGY**

### **NPCI launched Global Hackathon – ‘NPCI PayAuth Challenge’ on APIX**

National Payments Corporation of India (NPCI) launched a Global level Hackathon ‘NPCI PayAuth Challenge’, to find out the alternatives for the authentication of UPI (Unified Payments Interface) transaction for eg: Biometric. This Challenge is supported by APIX, world's first cross-border, open architecture API marketplace and sandbox platform.

## **AGREEMENTS & MoUs SIGNED**

<b>BANKS</b>	<b>SIGNED WITH</b>	<b>KEY NOTES</b>
ICICI Bank	MUFG Bank Ltd	ICICI Bank has signed a MoU with MUFG Bank Ltd, Japan to jointly cater the banking requirements of Japanese corporates present in India. It establishes a framework of partnership between the banks across various domains including trade, investment, treasury, corporate and retail banking. The Headquarters of ICICI Bank is Mumbai, Maharashtra. The headquarters of MUFG Bank Ltd is Tokyo, Japan.
Bank of Maharashtra (BoM)	LoanTap Credit Products	On February 8, 2021 Bank of Maharashtra (BoM) entered into a co-lending agreement with Non-Banking Financial Company (NBFC), LoanTap Credit Products to extend credit to Micro, Small and Medium Enterprise (MSME) loans. Under this agreement, 80% of the loan will be braced by the bank and the remaining 20% by the Loan Tap.
Punjab National Bank (PNB)	Indian Oil Corporation Ltd (IOCL)	Punjab National Bank (PNB) has signed a First-of-its-kind Memorandum of Understanding (MoU) with Indian Oil Corporation Ltd (IOCL) for providing up to INR 2 Crore Loan to

		IndianOil dealers through the PNB e-Dealer scheme (PNB electronic dealer finance scheme).
IPPB	CREDAI	On the lines of the labour welfare initiatives by the Central Government, the Confederation of Real Estate Developers' Associations of India (CREDAI) has inked memorandum of understanding (MoU) with Indian Payments and Postal Bank (IPPB) to facilitate opening of bank accounts for construction workers. This MoU will ensure accessible financial services for construction workers along with financial literacy and digital inclusion.
Asian Development Bank (ADB)	Medanta	On February 15, 2021 The Asian Development Bank (ADB) headquartered at Mandaluyong, Manila, Philippines signed Rs 100 crore(USD 13.7 million) debt financing agreement with Multi-Specialty medical institute, Medanta to provide essential health care services and medical equipment to India. This financing is part of the \$20 billion assistance package announced by ADB in April 2020 to help its developing members manage the pandemic.
SIDBI	PHDCCI	PHD Chamber of Commerce and Industry(PHDCCI) signed a Memorandum of Understanding(MoU) with Small Industries Development Bank of India (SIDBI) to offer various credit & other schemes of SIDBI to Micro, Small and Medium Enterprises (MSMEs), which is member of PHDCCI in India. They can get the schemes with comparative ease and better terms.
Indian Bank	SID of IISc	Indian Bank head quartered at Chennai, Tamil Nadu signed MoU with Society for Innovation and Development (SID), an initiative of Indian Institute of Science(IISc), Bengaluru to provide exclusive credit facility to start-ups and Micro, Small and Medium Enterprises(MSMEs). This initiative is a part of the Bank's scheme 'Ind Spring Board for financing Start-ups'.
World Bank	Government of India	Government of India, Government of Nagaland & the World Bank signed a USD 68 Million (~ INR 490 Crore) Project for improving the governance of schools across Nagaland. The program is called 'Nagaland: Enhancing Classroom Teaching and Resources Project'. The project will also improve teaching practices and learning environments in select schools of Nagaland. The project will support Nagaland Government's efforts to develop a strong education system in the state.
AIIB	Government of India	Government of India and the Asian Infrastructure Investment Bank (AIIB) signed a loan agreement of \$304 million (mn) for Assam Intra-State Transmission System Enhancement Project to strengthen the quality, capacity and security of the power supply in Assam along with reducing greenhouse gas emissions. The agreement was signed by Baldeo Purushartha, Joint Secretary, Department of Economic Affairs, Ministry of Finance on behalf of GoI and Rajat Misra, Acting Director General, Investment Operations on behalf of the AIIB.

IPPB	Stellapps	Stellapps, an IIT(Indian Institute of Technology) Madras incubated dairy-tech startup signed a Memorandum of Understanding(MoU) with India Post Payments Bank (IPPB) to digitize the dairy milk procurement value chain and improve banking facilities at milk collection centres.Aims to expand access to a range of financial services for millions of unbanked and underbanked dairy farmers.
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## OTHER BANKING NEWS

### SEBI Revises Objective, Eligibility Criteria of Innovation Sandbox

On February 3, 2021 The Securities and Exchange Board of India (SEBI) revised the objective and eligibility criteria of innovation sandbox to encourage innovation and boost participation in the securities market. Innovation Sandbox eases access to an environment (testing facilities and test data) that is provided by Enabling Organizations like Stock Exchanges ,Depositories and Qualified Registrar and Share Transfer Agents(QRTAs).

### AMCs of Mutual Funds to Set Up LPCC by Contributing Rs 150 Crore: SEBI

Securities and Exchange Board of India (SEBI) has released the guidelines to set up Limited Purpose Clearing Corporation (LPCC) by Asset Management Companies (AMCs) of Mutual Funds(MFs) to clear and settle the repo transactions in corporate debt securities. As per the guidelines, AMCs needs to contribute Rs 150 crore towards share capital of LPCC.

### Federal Bank Launched FedFirst, a Special Savings Account for Children

On February 3, 2021 Federal Bank Ltd headquarters at Aluva, Kerala launched FedFirst, a special savings account for children up to age of 18 years (both Resident and Non-Resident Indians-NRIs). The account is designed to help children learn about the importance of money management. FedFirst contactless Debit Card is given to this account holder.

### SEBI Releases New Norms of SEBI (Mutual Funds) (Amendment) Regulations, 2021

Securities and Exchange Board of India (SEBI) has released new norms of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2021. This regulation came into force by amending, Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. SEBI has amended the regulation in exercise of its powers conferred by section 30 read with clause (c) of sub-section (2) of section 11 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).

### PhonePe Partnered with Axis Bank on UPI Multi-Bank

The digital payment platform PhonePe has partnered with India's third largest bank, Axis Bank on a Unified Payments Interface (UPI) multi-bank model. It will enable the PhonePe users to create and use multiple UPI IDs with Axis Bank's "@axl" handle. Until now, the PhonePe's key banking partner was Yes Bank. This collaboration will also give PhonePe access to the Axis bank's merchant base.

### HDFC Bank invites start-ups to apply for SmartUp grants

Private sector lender HDFC Bank is inviting applications from start-ups and individual entrepreneurs for its SmartUp grants. SmartUp grants are a part of the bank's Corporate Social Responsibility(CSR).

### BRICS' New Development Bank commits USD 100 Million to NIIF Fund of Funds;1st Ever Investment in FoF

National Investment and Infrastructure Fund Limited (NIIFL) has stated that New Development Bank (NDB) (formerly known as BRICS Development Bank) has committed to invest USD 100 Million (~ INR

727 Crore) into the NIIF Fund of Funds (FoF). This is the NDB's 1st Equity Investment into India & the 1st ever Investment in an FoF.

### **Sri Lanka Settles \$400 million Currency Swap Facility with India**

On February 4, 2021 The Central Bank of Sri Lanka (CBSL) repaid USD 400 million currency swap to the Reserve Bank of India (RBI). RBI and Sri Lanka entered into this facility in July 2020 under the South Asian Association for Regional Cooperation (SAARC) currency swap framework. This facility was got for an initial period of 3 months to cope with the severe economic impact of COVID-19 pandemic.

### **EXIM Bank to provide \$400 mn funding for Maldives project**

On February 12, 2021, Reserve Bank of India (RBI) has notified The Greater Male Connectivity Project (GMCP) of Maldives will get a \$400 million funding from Export-Import Bank of India (Exim Bank) headquarters at Mumbai, Maharashtra, the agreement for the same is effective for January 28, 2021. The terminal utilisation period is 60 months after the scheduled completion date of the project.

### **Kotak Mahindra Bank Launches Kotak Remit, its Outward Forex Remittance Service**

On February 15, 2021 Kotak Mahindra Bank Ltd launched its outward forex remittance service, Kotak Remit. In an industry-first move, Kotak Remit is live on the Kotak Mobile Banking App. Kotak Mahindra Bank's customer for the 1st time can transfer the money internationally to their beneficiaries from their mobile.

### **Google Partners with EIF, Inter-American Development Bank & Kiva to Invest \$75 million in COVID-19 Hit Small Businesses**

Google has partnered with European Investment Fund (EIF), Inter-American Development Bank (IDB) and Kiva, an organisation that crowdfunds loans to unlock capital for the underserved around the world to invest \$75 million (about Rs. 545 crore) to small and medium-sized companies outside U.S who are suffering from the impact of COVID-19.

The funds are part of \$800 million (about Rs. 5,820 crores) commitment announced by Google in March 2020 to support small businesses in response to COVID-19 pandemic.

### **Exim Bank Extended LOC of 15 Million USD to Republic of Sierra Leone**

Export-Import (Exim) Bank, government of India, extended a Line of Credit (LOC) of 15 million USD (around Rs. 109.11 crore) to the government of the Republic of Sierra Leone.

The agreement to this effect was signed by Saroj Khuntia, General Manager, Exim Bank, and Jacob Jusu Saffa, Finance Minister, Government of Republic of Sierra Leone on 5th February 2021. LOC will be used for the expansion of the projects for the rehabilitation of existing potable water facilities in 4 communities of Sierra Leone.

### **Govt to Infuse Rs 1,500 Crore into EXIM Bank in FY 22**

The government has decided to infuse Rs 1,500 crore capital into Export-Import Bank of India (EXIM Bank) headquarters at Mumbai, Maharashtra in FY 22. This equity support/subscription is to maximise the paid-up capital of the bank to the level of its authorised capital. Amount is Higher than amount earmarked in FY 21. This amount is Rs 200 crore higher than the amount (Rs 1,300 crore) earmarked by the government to be infused in the bank in FY 21.

## **Bank of Maharashtra Partnered with Vayana Network Launches its Mahabank Channel Financing Scheme for MSMEs**

Bank of Maharashtra (BoM) headquartered at Pune, Maharashtra in partnership with Vayana Network, India's largest Supply Chain Financing (SCF) platform, launched its Mahabank Channel Financing Scheme, a Channel Financing solution for Micro, Small and Medium Enterprises (MSMEs). This partnership enables BoM to provide short term credit to meet funding requirements of corporate dealers and vendors through its channel.

## **Kotak Standard Multicap Fund Renamed as Kotak Flexicap Fund**

Kotak Mahindra Asset Management Company Limited (KMAMC) announced that Kotak Standard Multicap Fund is being renamed as Kotak Flexicap Fund. This is in line with the Securities and Exchange Board of India (SEBI)'s Modification in Multi-Cap Mutual Funds Category, where multicap funds are required to invest at least 25% of their corpus in large, mid and small cap stocks each.

## **SEBI to introduce Pre-Expiry Margins to Curb Negative Price Scenarios**

In order to strengthen the risk management framework, Securities and Exchange Board of India (SEBI) will introduce pre-expiry margins on cash settled contracts with effect from April 1, 2021. Under these underlying commodities are deemed to be susceptible to possible near zero or negative prices. These margins will be levied during the last five trading days prior to expiry date, wherein they will increase by 5% every day. These will be applicable on certain commodities under the Alternate Risk Management Framework (ARMF).

## **ICICI Bank in Partnership with GCC and CSCL Launched 'Namma Chennai Smart Card'**

ICICI Bank in partnership with the Greater Chennai Corporation (GCC) and Chennai Smart City Limited (CSCL) launched 'Namma Chennai Smart Card', a Common Payment Card System (CPCS). The Rupay powered co-branded, contactless prepaid card was unveiled by Tamil Nadu Chief Minister (CM) Edappadi K. Palaniswami. It aims to enable residents of Chennai, Tamil Nadu to make seamless payments for various services within the city.

## **Social Alpha and SIDBI Partnered to Set up 1st of its Kind Swavalamban Divyangjan ATMA Fund**

Social Alpha, a multistage innovation curation and venture development platform has partnered with Small Industries Development Bank of India (SIDBI) to set up the Swavalamban Divyangjan Assistive Tech Market Access (ATMA) fund, a Social Impact fund.

It is a first of its kind inclusion fund that offers financial grants to Social Alpha-incubated startups that work in the Assistive Technology (AT) sector.

## **Exim Bank to Support Construction of Social Housing Units in Maldives Through USD 130 Million Funding**

Export-Import Bank of India headquarters at Mumbai, Maharashtra is set to support the construction of social housing units in Maldives, through its USD 130 million loan to Fahi Dhiriulhan Corporation Limited. The funding is set to be provided through the credit programme of the buyer under the National Export Insurance Account (NEIA Scheme). The project is proposed to be executed by the NBCC (India) limited (formerly National Buildings Construction Corporation Limited).

## **Exim Banks Extended LOC of USD 7.35 Million to Republic of Nicaragua**

The Export-Import Bank of India (Exim Bank), on behalf of the Government of India, extended Line of Credit (LOC) of USD 7.35 million (about 54 crore) to the Government of the Republic of Nicaragua for to replace and supply equipment of the High Technology Centre of Hospital Antonio Lenin Fonseca at Managua, Nicaragua.

## FINANCE NEWS

### **IRDAI Releases Guidelines on Standard Vector Borne Disease Health Policy**

Insurance Regulatory and Development Authority of India (IRDAI) issued guidelines on Standard Vector Borne Disease Health Policy to encourage all general and health insurers to offer this product. They can offer this product by 1st April, 2021. The product will offer a policy tenure of a year (12 Months). The nomenclature of the product should be in the name of the insurance company followed by "Mashak Rakshak" ...[Click here for more detail](#)

### **Bharti AXA General Insurance Launches 'Salute to Caregivers – Ek Naya Nazariya Campaign' for Cancer Survivors**

Bharti AXA General Insurance has launched 'Salute to Caregivers – Ek Naya Nazariya Campaign' to support the cancer survivors in the battle against cancer. To commemorate the World Cancer Day (February 4, 2021) Bharti AXA General Insurance has collaborated with poetess Priya Malik, who wrote a poem on the Campaign & she also expressed her experience as a caregiver. Tagline of the Campaign – 'Iss Jung Mein Hum Sang Hai'.

### **AGSTTL & Mastercard Partnered to Introduce 1st-Ever 'Contactless' Cash Withdrawals on ATMs in India**

On February 9, 2021 AGS Transact Technologies Ltd (AGSTTL) entered into partnership with Mastercard to introduce First-Ever 'Contactless' Cash Withdrawals on Automated Teller Machines (ATMs) in India. The partnership enables the Mastercard cardholders to withdraw cash at ATMs by scanning the Quick Response (QR) code that is displayed on the ATM screen. The Cardless ATM is powered by Mastercard'.

### **IRDAI panel okays the launch of Index-Linked Insurance Policies**

The Working Group Committee (WGC) set up by the Insurance Regulatory and Development Authority of India (IRDAI) has recommended the introduction of index-linked insurance policies (Ilips). The report is opened for comments till March 8, 2021. The committee has been formed in August 2020 under Dinesh Pant.

### **Bharti AXA General Insurance Introduced Health AdvantEDGE, an Innovative Health Insurance Plan**

Bharti AXA General Insurance introduced Health AdvantEDGE, an innovative health insurance plan. It is specifically designed to cater the healthcare and wellness needs of customers. The insurer has launched the Bharti AXA Wellness Cuppa portal for its customers to boost customer engagement and experience.

### **Star Health and Allied Insurance Launched its Arogya Sanjeevani Policy on PhonePe**

On February 12, 2021 Star Health & Allied Insurance Co. Ltd launched its Arogya Sanjeevani policy on PhonePe. This launch enables all the users of PhonePe to protect their families from financial burdens in case of any medical emergency. This policy has been designed to cover the most necessary aspects of any kind of hospitalization in the family.

### **ESFBL Partnered with MSRDC & Ocean Highway Facilities and Solutions to Launch India's 1st FASTag Powered Truck Terminal**

On February 12, 2021 Equitas Small Finance Bank Ltd (ESFBL) headquarters at Chennai, Tamil Nadu has partnered with Maharashtra State Road Development Corporation Limited (MSRDC) and Ocean Highway Facilities and Solutions Pvt Ltd. to launch India's first FASTag powered truck terminal at Khalapur, Maharashtra on the Yashwantrao Chavan Mumbai – Pune Expressway.

## **ICICI Prudential Life Insurance Launched a New Savings Product, 'ICICI Pru Guaranteed Income for Tomorrow' (GIFT)**

On February 9, 2021 ICICI Prudential Life Insurance launched a new goal-based savings product 'ICICI Pru Guaranteed Income for Tomorrow' (GIFT). The non-participating savings product helps customers to eliminate the uncertainty of future income streams to a large extent. It also provides financial security to the family.

## **Mastercard Launched "Priceless™ India"**

On 11th February 2021, Mastercard launched its Flagship 'Priceless' program – "Priceless India". The Priceless India will enable the Mastercard holders both domestic and global travellers to get exclusive access to various experiences in the iconic cities of India. The program will be executed in 2 phases:

- i) Mastercard will launch 16 short films which showcase the unique aspects of the iconic cities.
- ii) The card holders can get the experiences in real time through selected packages over online.

## **Kerala Financial Corporation Becomes 1st Govt Financial Institution in Kerala to Launch Debit Card**

Kerala Financial Corporation(KFC) announced that it will introduce its own debit card. KFC becomes the 1st government financial institution in Kerala to launch debit card. This 5 year Rupay platinum card will be co-branded in association with public sector banks. The card will be issued in accordance with the guidelines of Reserve Bank of India (RBI).

## **Mastercard and Razorpay partner to make digital payments more accessible for MSMEs and startups**

Mastercard and Razorpay have joined hands to empower Indian micro, small and medium enterprises (MSMEs) and startups especially in tier 2 and 3 cities in digitising their operations, maintaining business continuity in the challenging environment, and preparing them for cashless future. It should be noted that Razorpay is India's youngest unicorn (Company valuation exceeds \$1 billion).

## **Flipkart Partners with ICICI Lombard to Offer Group SafeGuard Insurance**

Flipkart partnered with ICICI Lombard General Insurance Company Ltd to offer Group SafeGuard insurance, a group insurance policy to its consumers and their families. Through this partnership Flipkart consumers will get Hospicash benefit under Group SafeGuard insurance. The benefit helps consumers to get a fixed daily amount for their hospitalisation, enabling them to pay for incidental medical or emergency expenses.

## **LIC of India launches Individual Savings Plan, 'Bima Jyoti' Plan**

Life Insurance Corporation (LIC) of India launched a new Individual Savings Plan, 'Bima Jyoti' Plan (Plan No. 860), will be effective from February 22, 2021. It is a Non-linked, Non-Participating, Individual, Limited Premium Payment, Life Insurance Savings Plan which offers a Guaranteed addition at a rate of 5% (i.e at a rate of INR 50 per thousand or INR 5 per 100) Basic Sum Assured at the end of each policy year throughout the policy term.

## **IRDAI Issues Guidelines on Standard Personal Accident Insurance Product**

Insurance Regulatory and Development Authority of India (IRDAI) issued guidelines on Standard Personal Accident Insurance Product named 'Saral Suraksha Bima', succeeded by name of insurance company under the provisions of Section 34 (1) (a) of Insurance Act, 1938. IRDAI has directed all the

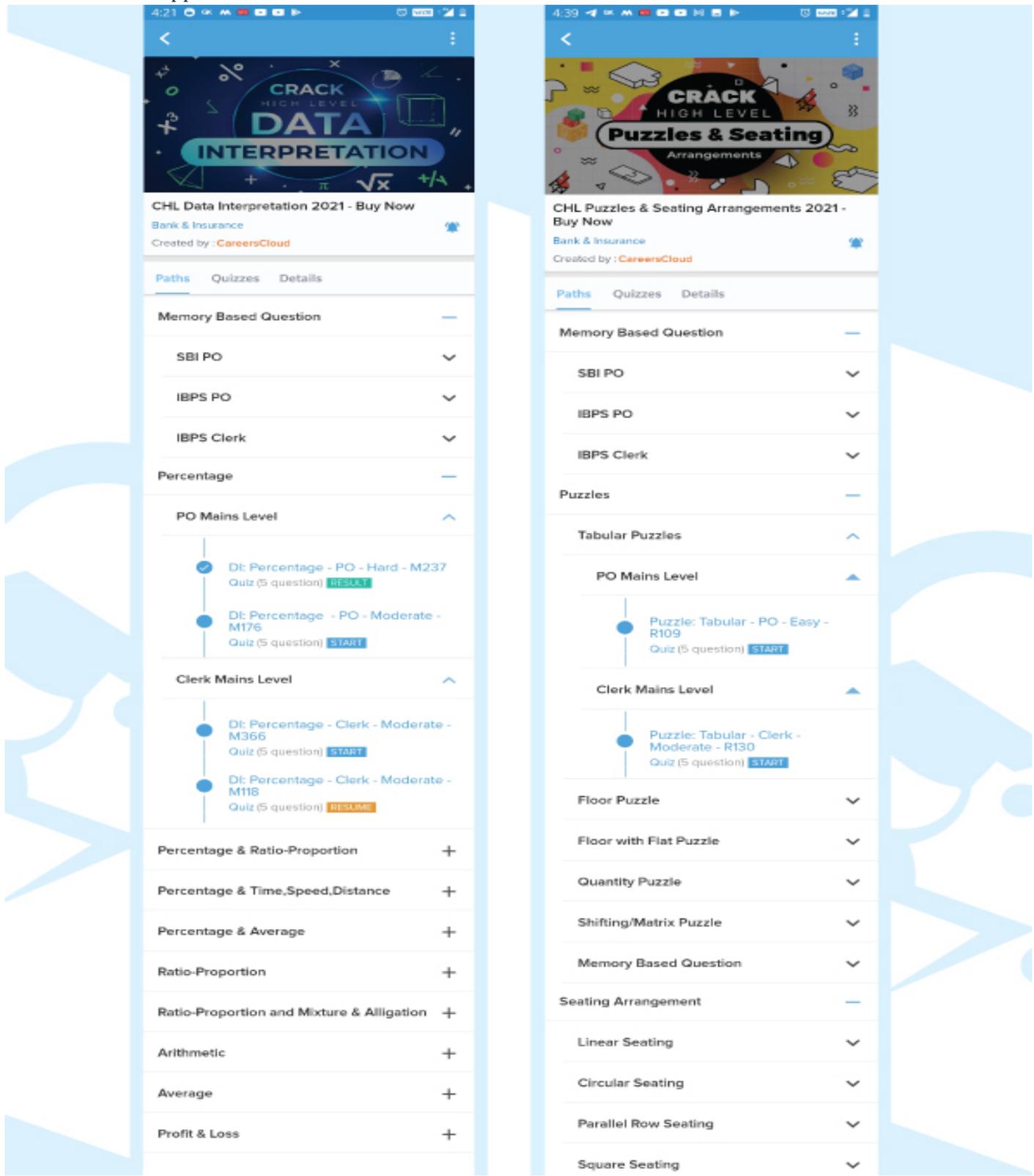
general and Health Insurers to offer this product from April 1, 2021. The product can be offered as a group product.

**Launched 2 New Paid Courses !!!!!**

**New Course names :-** 1.Crack High level Puzzle & Seating arrangement and 2.Crack High level Data interpretation

We are pleased to serve with part of your preparation so we have activated the above mentioned 2 paid courses will be added to our subscribers who have already purchased the “Crack Current Affairs 2021” plan from January 2021.

To check the 2 additional free paid courses in your plan – Go to ‘My Course’ under Bank & Insurance preference in CareersCloud App.



## 2021 Banking & Finance - March

### RBI IN NEWS

#### **Fino Payments Bank Ltd Gets the Status of Scheduled Commercial Bank: RBI**

According to RBI, Fino payment bank can improve its banking position in the treasury and participation in Liquidity Adjustment Facility (LAF) window. Therefore Reserve Bank of India (RBI) included the Fino Payment Bank in the Second Schedule to the RBI Act, 1934. With this inclusion, Fino Payments bank gets the status of scheduled commercial bank.

#### **Rupee Co-operative Bank Ltd. Gets 3 Month Banking License Extension from RBI**

Reserve Bank of India (RBI) extended banking license to Rupee Co-operative Bank Ltd., Pune, Maharashtra for 3 months (i.e.) till May 31, 2021. The co-operative bank was placed under the directions of RBI from the close of business on February 22, 2013. In previous, the validity of the direction was extended till February 28, 2021.

#### **In a first, RBI announces Operation Twist cum OMO: March 2021**

In a first, the Reserve Bank of India (RBI) is all set to conduct the simultaneous purchase and sale of Government securities (GS) under Open Market Operations (OMO) for an aggregate amount of Rs 20,000 crore under purchase and Rs 15,000 crore under sale on March 10, 2021. This makes it a combination of Operation Twist of Rs 15,000 crore and OMO of Rs 5000 crore. The bids for the same will be accepted by RBI in electronic format through its Core Banking Solution (E-Kuber).

#### **RBI removed LIC – Owned IDBI Bank from its PCA Framework after 4 Years**

On March 10, 2021, The Reserve Bank of India (RBI) removed LIC – owned Industrial Development Bank of India (IDBI) from its enhanced regulatory supervision, the Prompt Corrective Action (PCA) framework, after almost 4 years, on improved financial performance and credit profile. RBI has decided to conduct a review on IDBI Bank by the Board for Financial Supervision (BFS) on February 18, 2021.

#### **RBI insisted all banks implement the image-based CTS by September 30**

On March 15, 2021, the Reserve Bank of India (RBI) the apex monetary institution asked all the banks in India to implement the image-based Cheque Truncation System (CTS) under respective grids in all its branches by September 30, 2021, to faster the settlement of cheques resulting in better customer service. On February 5, 2021, RBI had announced Pan-India coverage of CTS by bringing all branches of banks in the country under an image-based CTS clearing mechanism.

#### **RBI imposes Rs 2 crore penalty on SBI for regulatory violations**

On March 16, 2021, RBI has imposed a monetary penalty of Rs.2 crore on the State Bank of India over “deficiencies in regulatory compliance”. SBI was penalized for “contravention of provisions of section 10 (1) (b) (ii) of the Banking Regulation Act, 1949 and specific directions of RBI issued to the bank on payment of remuneration to employees in the form of commission”.

#### **RBI Reported 9.1% Growth in India's Software Services Export in FY20**

Reserve Bank of India (RBI) released the data related to the 2019-20 round of annual survey on exports of computer software and information technology-enabled services in which India's export of software services stood at USD 128.6 billion during 2019-20, registering 9.1 % growth over the previous year.

#### **RBI Reported a '\$36 Billion' FPI Inflows into Equities, the Highest Record Since FY13**

Reserve Bank of India (RBI) in its recent report stated that Foreign portfolio investors (FPIs) pumped inflows into equities in India have made the highest record of \$36 billion in FY21 up to March 10, which

is the highest one since FY13. RBI reported that the Household debt to GDP ratio has jumped sharply to 37.1% in Q2 of FY21 while the savings rate plunged to a low 10.4%.

### **RBI set up a 5-member External Advisory Committee headed by Shyamala Gopinath to Evaluate Banking Applications**

On March 22, 2021, the Reserve Bank of India(RBI) set up a five-member Standing External Advisory Committee (SEAC) which is headed by former RBI Deputy Governor Shyamala Gopinath, for evaluating applications for universal banks and small finance banks(SFBs). Applications for universal banks and SFBs will first be evaluated by the RBI to ensure prima facie eligibility of the applicants, after which SEAC will evaluate the applications.

### **Restrictions on PMC Bank was Extended till 30 June 2021 by RBI**

On March 26, 2021, The Reserve Bank of India (RBI) extended the restrictions on withdrawals and deposits in the Punjab and Maharashtra Cooperative (PMC)Bank till 30 June 2021 due to the delay in finalizing a prospective investor for the bank.PMC is a multi-state cooperative bank in which they are regulated and supervised by the Central Registrar of Co-operative Societies (CRCS) and RBI.

### **RBI issued Guidelines on Merger/Amalgamation for Urban Cooperative Banks**

On March 23, 2021, the Reserve Bank of India(RBI) issued RBI (Amalgamation of Urban Cooperative Banks) Directions, 2020, guidelines for merger/amalgamation to all Primary/Urban Co-operative Banks(UCBs) to place them in the public domain.It aims to provide an avenue for the non-disruptive weak UCB sector by consolidating them with the strong one in that sector.

### **RBI imposes ₹15-lakh penalty on Fedfina**

Reserve Bank of India (RBI) has imposed a monetary penalty of ₹15 lakh on Fedbank Financial Services Ltd (Fedfina), Mumbai, for non-compliance with certain provisions of the central bank's directions on monitoring of frauds. This penalty has been imposed by RBI under the provisions of the Reserve Bank of India Act, 1934.Fedfina, the Non-Banking Finance Company (NBFC) is a subsidiary of the Kerala-based private sector lender Federal Bank, The Federal bank has 74 per cent stake in Fedfina.

## **BANKING TECHNOLOGY**

### **TGB & APGVB become 1st RRBs in India to Launch Video-KYC Facility**

Two Regional Rural Banks (RRBs) – Telangana Grameena Bank (TGB) & Andhra Pradesh Grameena Vikas Bank (APGVB) became India's 1st RRBs to launch Digital Savings Account opening facility through Video-Know Your Customer (KYC) facility. Both RRBs are sponsored by the State Bank of India (SBI). The feature was virtually launched by Dinesh Kumar Khara, Chairman of SBI.

### **Samsung Electronics, Mastercard, and Samsung Card join hands to launch a Fingerprint Biometric Payment Card**

On March 04, 2021, in Korea, Mastercard, Samsung Electronics' System LSI Business, and Samsung Card signed a MoU to develop a biometric card with a built-in fingerprint scanner sensor to provide faster and secure payments transactions which will reduce physical contact by avoiding the entering of PIN on Keypad. The biometric card with a fingerprint sensor is launched to eliminate the physical contact of users at the payment terminal.

### **Union Bank of India along with HPCL launched 'UNI-CARBON CARD'**

On March 26,2021 Union Bank of India headquarters at Mumbai, Maharashtra launched first of its kind 'UNI-CARBON CARD', a credit card that is co-branded by HPCL in Rupay platform of National Payments

Corporation of India (NPCI) to create an opportunity to create value for the Bank's customers. This card is a contactless "Tap & Go" card and National Common Mobility Card(NCMC).

### LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
Exim Bank	Eswatini	USD 10.40 million (around Rs.75.99 crore)	On 3rd March 2021, on behalf of the government of India, the Export-Import Bank of India (Exim Bank) signed a soft loan deal of 10.40 million USD (around Rs.75.99 crore) with the country Eswatini (former Swaziland). Exim Bank has extended the Line of Credit(LoC) of to the government of Eswatini for the construction of a disaster recovery site. With this LoC to Eswatini, Exim bank has extended 3 LoC's of total value 68.30 million USD to Eswatini.
Tata Cleantech Capital Ltd (TCCL)	Japan International Cooperation Agency (JICA)	10 Billion Japanese Yen (~ INR 660 Crore)	Japan International Cooperation Agency (JICA) signed a Loan agreement for a maximum amount of 10 Billion Japanese Yen (~ INR 660 Crore) with Tata Cleantech Capital Ltd (TCCL), a Non-Banking Financial Company (NBFC) for offering loans to Indian firms focussing on Clean Energy Projects.The loans will be provided through the Private Sector Investment Finance Scheme of JICA and is co-financing with the Sumitomo Mitsui Banking Corporation (SMBC).
Japan	India	232.86(~233) Billion Japanese Yen (~ INR 15433 Crores)	On March 26, 2021, Japan finalised loans and a grant totalling around 232.86(~233) Billion Japanese Yen (~ INR 15433 Crores) for development of several key infrastructure projects in India. The funds will be provided through the Japan International Cooperation Agency (JICA). The notes on Loan & grant were exchanged between Suzuki Satoshi, Ambassador of Japan to India & Dr.C.S. Mohapatra, Additional Secretary, Department of Economic Affairs, Ministry of Finance, Government of India.

### AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
Small Industries Development Bank of India (SIDBI)	National Stock Exchange of India Limited	On 2nd March 2021, the National Stock Exchange of India Limited (NSE India) signed a MoU with the Small Industries Development Bank of India (SIDBI) headquartered at Lucknow, Uttar Pradesh for the cooperation in the various

		Micro, Small and Medium Enterprises (MSMEs) initiatives of NSE and SIDBI and to explore the feasibility of debt Capital Platform for the MSMEs. The MoU enables the cooperation between NSE and SIDBI for the benefits of the MSME sector.
Indian Overseas Bank(IOB)	SBI General Insurance	Indian Overseas Bank(IOB), a public sector bank signed a Bancassurance with the SBI General Insurance to retail its insurance products to the customers of the bank. This partnership will improve the reach of insurance products in urban, tier II and III markets.
Kotak Mahindra Bank	Indian Army	On March 4, 2021, the private sector lender Kotak Mahindra Bank headquartered at Mumbai, Maharashtra signed a Memorandum of Understanding(MOU) with the Indian Army at New Delhi for providing salary accounts to all the active and retired army personnel. The army personnel will get the services like zero-balance salary account which earns up to 4% interest per annum and free unlimited ATM transactions on all VISA ATMs.
KVGB	Our Food Private Limited	On 3rd March 2021, Karnataka Vikas Grameena Bank (KVGB) signed a MoU with Our Food Private Limited, Visakhapatnam, Andhra Pradesh for arranging cost effective food processing units to farmers through bank loan. Under this MoU, the vendor will ensure the supply, delivery and installation of high quality, standardised and branded equipment as the needs of the farmers.
Yes Bank	PNB Housing Finance	On 5th March 2021, PNB Housing Finance and Yes Bank headquartered at Mumbai, Maharashtra signed a strategic co-lending service to provide convenient and customized retail loans to homebuyers at competitive interest rates. Both PNB housing Finance and Yes Bank will jointly do the due diligence and co-originate the loan at agreed ratio.
State Bank of India	Tata Motors	On March 26, 2021, Tata Motors, a commercial vehicle manufacturer has signed a three-year MoU with the State Bank of India to offer financial assistance for its commercial vehicle (CV) customers for the purchase of the Tata Motors' range of small and light commercial vehicles. Increased the official maximum load-carrying capacity of heavy vehicles, including trucks, by 20-25 %.
International Financial Services Centres Authority (IFSCA)	Federation of Indian Chambers of Commerce and Industry(FICCI)	Signed a MoU to establish a framework for collaboration and co-operation for the development of Gujarat International Finance Tec-City ('GIFT') IFSC.MoU will lead to future collaborations and cooperation between IFSCA and FICCI for the development of a world-class FinTech Hub in GIFT IFSC.

## OTHER BANKING NEWS

### SEBI eases Listing Rules for IPOs of Large Companies

Securities and Exchange Board of India (SEBI) headquartered at Mumbai, Maharashtra during its board meeting eased the listing norms for large companies by enabling them to divest minimum 5% in the IPO (Initial public offering), instead of 10%. Also, for raising the public float to 25%, the term has increased to 5 years instead of 3 years. The meeting was also attended by Union Minister Nirmala Sitharaman, Ministry of Finance and Minister of State (MoS) Anurag Thakur.

### **SBI Mutual Fund launched its 1st overseas fund “SBI International Access – US Equity”**

State Bank of India (SBI) Mutual Funds has launched its first overseas offering namely “SBI International Access-US Equity FoF” which is an open-ended Fund of Fund (FoF) scheme that would invest in mutual fund schemes /ETFs (exchange-traded fund) that invest in the United States (US) markets. The offering will close on March 15, 2021. The scheme will invest 95-100% of its net assets in Amundi Funds – US Pioneer Fund which invests predominantly in the US markets.

### **World Bank plans \$100-mn Guarantee Scheme for Solar Rooftop Projects**

In order to boost India’s rooftop solar programme, the World Bank (WB) headquartered at Washington, D.C., United States is planning to launch a \$100-million (~727 Crore Indian Rupees) credit guarantee scheme along with the State Bank of India (SBI) and the MSME ministry. This scheme will enable micro, small, and medium enterprises (MSMEs) and those firms which do not meet the lending criteria of banks and other financial institutions to avail concessional debt financing for setting up rooftop solar units.

### **SBI joins ‘Liink’ Blockchain-based payment network of JPMorgan**

State Bank of India (SBI) joined ‘Liink’, a peer-to-peer Blockchain-based data network of US-based Investment Banking Company JPMorgan chase. The partnership will help SBI to reduce transaction costs, speed up Consumer transactions (including International transactions). SBI became the 1st bank in India to go live on the blockchain-based payment network of JPMorgan.

### **Arya Partners With Canara Bank for Farm loan Management**

On 2nd March 2021, Arya Collateral Warehousing Services Pvt. Ltd.(Arya), a post-harvest agriculture technology provider, entered into a strategic partnership with Canara Bank to offer collateral management and warehousing services to support the farmers with effective market linkage. The partnership aims to support and extend finance to farmers, Farmer Producer Organisations(FPO), processors, and various depositors stocking their agri-produce in Arya’s warehouses across India.

### **SEBI cancels Sahara India Financial Corp’s registration as sub-broker**

On March 3, 2021, According to a designated authority’s report, Securities and Exchange Board of India(SEBI) cancelled the certificate of registration of Sahara India Financial Corporation Ltd as a sub-broker citing its failure to fulfill the “fit and proper” criteria in terms of Intermediaries Regulations. Subrata Roy is a substantial shareholder in the company. In 2018, a designated authority was appointed by SEBI to enquire whether Sahara India Financial violated provisions of Intermediaries Regulations.

### **Titan’s Fastrack ties up with Yono-SBI bank to launch a smart fitness band with digital payment components**

On March 05,2021, India’s largest watch maker, Titan’s youth brand Fastrack joined with Yono-State Bank of India to introduce a new smart wearable fitness band with digital payment components under its sub-brand Reflex. In order to strengthen its wearables and fitness category position among the youth with the prevailing trend of digital payment which is accelerated by COVID-19.

### **Federal Bank to Launch Independent Credit Card**

Federal Bank has partnered with Mastercard for launching Credit Cards in the coming months. It will start issuing Credit Cards to its own customers. Federal Bank has also tied up with Fiserv, an American Fortune 500 Company for the digitisation of the end-to-end issuance & processing cycle.

### **HDFC Bank launched “SmartUp Unnati for Women Entrepreneurs**

On 8th March 2021 the HDFC Bank has launched “SmartUp Unnati”, a mentoring program by women for women entrepreneurs. Under this programme, senior women leaders from HDFC bank with expertise

spanning domains will mentor women entrepreneurs to achieve their goals in the next one year. The initial target of the programme is more than 3000 women entrepreneurs associated with the SmartUp programme of HDFC Bank.

### **Axis Bank Launched WhatsApp Banking Service**

On 3rd March 2021, Axis Bank launched the banking services on WhatsApp, this will enable the customers to get information on their balance, transactions, credit card payments, and deposit details. This is in line to the Dil se open philosophy of Axis Bank. This service will be available for both customers and non-customers of the bank.

### **AckoDrive Partnered with IDFC FIRST Bank to Issue Free FASTags**

On 6th March 2021, AckoDrive, an online car sales platform, a product of ACKO Technologies and Services Private Limited partnered with IDFC FIRST Bank to issue free FASTags. IDFC FIRST Bank, premier Indian banking company authorized by the National Highways Authority of India (NHAI) to distribute FASTags. The AckoDrive issues FASTags over the digital platform without issuance fee, paperwork or security deposit.

### **Yes Bank launched a women centric service – ‘Yes Essence’**

On March 08, 2021, In the event of International Women’s Day, Yes Bank launched a banking proposition YES Essence service to offer preferentially priced loans and healthcare benefits for the women customers. It aims to encourage the women customers to fulfil their aspirations by providing different solutions covering various categories like lifestyle, wellness, education, protection and investment.

### **Ujjivan SFB Launched “Garima Savings Account”, Women Savings Account**

On 8th March 2021, Ujjivan Small Finance Bank (USFB) launched “Garima Saving Accounts”, a women Saving Account to provide the financial needs of women. The account offers various customised benefits for women which includes a maximum of 7% rate of interest on savings account. It aims to support the financially aware and economically active women. To support the day-to-day banking needs of women.

### **KVGB launches ‘Vikas Asha’ Loan Scheme for Women Entrepreneurs**

Karnataka Vikas Grameena Bank (KVGB) has launched the ‘Vikas Asha’ Loan Scheme, under which the bank will distribute loans of up to INR 10 Lakhs to Women Entrepreneurs. The scheme is exclusively for women to meet their business-related needs, for purchasing machinery/equipment/vehicle. It shall also be utilized for meeting the working capital requirements under Micro and Small Enterprises including retail trade.

### **PNB Housing Finance Announced the Donation of Electric Cars to Women in Jaipur & Indore, MP**

On the occasion of International Women’s Day on March 08, 2021 Punjab National Bank (PNB) Housing Finance company has partnered with Delhi-based NGO, Azad Foundation to donate electric cars under its initiative named ‘Women With Wheels’ for the women of Jaipur and Indore, Madhya Pradesh (MP). It is a part of PNB’s Corporate Social Responsibility (CSR) project called ‘SHE’.

### **Aquaconnect Partnered with BOB to provide Credit Access to Farmers under KCC scheme**

On March 09, 2021 Aquaculture tech company Aquaconnect partnered with Bank of Baroda (BOB) to provide credit access to 1.6 million aquaculture farmers under the Kisan Credit Card (KCC) scheme. In this regard, M V Murali Krishna, General Manager and Head of Rural and Agri Banking Department of

Bank of Baroda signed the MoU along with Arpan Bhalerao, Chief Growth Officer, Aquaconnect. Providing credit access under the KCC at an annualized rate of as low as 10%.

### **DBS Bank India joined with TRRAIN to upskill differently-abled youth**

On March 9, 2021, DBS Bank India Ltd. (DBIL) headquartered at Mumbai, Maharashtra partnered with TRRAIN (Trust for Retailers & Retail Associate of India) to support the youth from low-income households, pandemic affected, and persons with disabilities through skill training and employment opportunities. It is a part of the initiative 'DBS Stronger Together Fund'.

### **Magicbricks Partnered with Razorpay & HDFC Bank for Property Service "Pay Rent" through Credit Card**

Magicbricks Realty Services limited (Magicbricks), a wholly owned subsidiary of Bennett, Coleman & Co. Ltd of The Times Group, partnered with Razorpay and HDFC Bank to create a secure online solution "Pay Rent" feature for rent payments through credit cards. The online solution is created with a focus on the 10 million rental residential household market.

### **KVB Bank and Cholamandalam Investment announced a Co-lending Partnership**

On March 10, 2021, Karur Vysya Bank (KVB) headquartered at Karur, Tamil Nadu and Cholamandalam Investment and Finance Company Limited (Chola), the financial services arm of the Murugappa Group launched their co-lending business partnership to make new customers all over India with technology from Nucleus Software. The objective of co-lending model is to lower the cost of capital and open new markets by enabling new loans at finer rates.

### **Axis Bank became First in India by launching its wearable contactless payment device 'Wear 'N' Pay'**

On March 10, 2021, Axis Bank headquartered at Mumbai, Maharashtra became India's first bank after launching its own wearable payment device named 'Wear 'N' Pay', to make contactless transactions. It includes a variety of accessories like the band, key chain, and watch loop. Axis Bank partnered with Thales and Tappy Technologies to design and create these products and they are available on the Mastercard platform.

### **SBI Topped the MeitY Digital Payment Scorecard for 3 Consecutive Months**

State Bank of India (SBI) headquartered at Mumbai, Maharashtra topped the Ministry of Electronics & Information Technology (MeitY) Digital Payment Scorecard for 3 consecutive months. The scorecard tracks the performance of the commercial banks on various digital parameters. SBI topped the list by recording the highest UPI transaction volume of around 64 crore with a user base of 13.5 crores.

### **SEBI Forms Expert Group Under PMAC to Examine Feasibility of SPACs**

On March 11, 2021, Securities and Exchange Board of India (SEBI) had formed the Group of Experts under its Primary Market Advisory Committee (PMAC) to check the feasibility to implement Special Purpose Acquisition Companies (SPACs) like structures in India. The objective is to raise money from investors with the aim of acquiring private businesses by merging them. Essentially, a SPACs takes companies or start-ups public through the back door route.

### **SEBI limited MF's investment in Debt Instruments to 10% and Banned close-ended schemes investment in perpetual bonds**

On March 10, 2021 The Securities and Exchange Board of India (SEBI) in its circular set a limit for Mutual Funds (MF's) investment to 10% in debt instruments with special features such as perpetual bonds and 5% for single issuers and stated the maturity for perpetual bonds as 100 years. According to PRIME Database, nearly Rs 37,000 crore was invested by MFs in perpetual bonds, as of January. MFs

should not invest more than 10% of Net Asset Value (NAV) in debt instruments with special features and 5% of its NAV of the debt portfolio of the scheme in instruments and single issuers.

### **SBI & IOCL inked India's First SOFR linked ECB deal by Replacing LIBOR**

On March 16, 2021, the State Bank of India (SBI) headquartered at Mumbai, Maharashtra and Indian Oil Corporation Limited (IOCL) inked the first SOFR (Secured Overnight Financing Rate) linked External Commercial Borrowing (ECB) deal by replacing the London Inter-Bank Offered Rate (LIBOR) which is used by world banks when charging each other for short-term loans. The SOFR linked ECB deal is for about \$100 million with a maturity of 5 years. It is the first SOFR linked ECB deal in India.

### **Deutsche Bank Executed World's First Green Hedge with Continuum**

On March 16, 2021, Deutsche Bank headquartered at Frankfurt, Germany and Continuum Energy Levanter Pte Ltd, a subsidiary of Continuum Green Energy (Continuum) executed the world's first green hedging transaction based on a specially designed green hedge framework with a second party opinion. The green hedge with a framework manages the currency exposure while ensuring investors receive their returns on the green bond.

### **PNB Set up 'PNB Cards & Services Ltd' – A Subsidiary to Manage Credit Card Business**

On March 16, 2021, Punjab National Bank (PNB) headquartered at New Delhi set up a wholly-owned subsidiary named PNB Cards & Services Ltd to provide the non-financial support services related to the credit card business of the bank. The authorized capital of PNB Cards & Services Ltd is Rs 25 crore and the paid-up capital is Rs 15 crore. The company has been incorporated by the Registrar of Companies (ROC), Delhi.

### **IATA partners with Standard Chartered Bank for providing EasyPay Services**

International Air Transport Association (IATA) has partnered with Standard Chartered Bank headquartered at London, England, UK for providing 'EasyPay' services to Travel Agents in India. It will provide greater payment flexibility to travel agents. 'EasyPay' is a 'pay as you go' service which aims to replace the traditional billing and settlement plan payment methods (Cash or Credit Card).

### **ADB Raises \$307 Million from 1st Panda Bond Issue in over a Decade**

Asian Development Bank (ADB) headquartered at Metro Manila, Philippines has raised over USD 307 Million (~ INR 2232 Crore or Chinese Yuan Renminbi (CNY) 2 billion) from the 1st Panda bond issue in more than a decade. This is ADB's largest-ever borrowing in an Asian local currency. It is the first borrowing of ADB from a CNY10 billion program approved by regulator National Association of Financial Market Institutional Investors in June 2020.

### **Union Bank of India & SMC Global Securities Join Hands to Offer Online Trading**

Union Bank of India (UBI), one of the Indian government-owned banks headquartered in Mumbai and SMC Global Securities, offering brokerage services became partners to provide online trading services to the bank's customers. Customers can trade using the portal [www.smctradeonline.com](http://www.smctradeonline.com) apart from desktop and mobile applications.

### **SEBI Amended the Valuation Norms on Perpetual Bonds**

On March 22, 2021, the Securities and Exchange Board of India (SEBI) headquartered at Mumbai, Maharashtra amended the valuation rule of Perpetual Bonds (Additional Tier-1 (AT-1) and Tier-2 Bonds), under the intervention of the Finance Ministry, to modify its recent framework on Perpetual Bonds. As per the amendments, the deemed residual maturity of Basel III additional tier-1 (AT-1) bonds are to be 10 years until March 31, 2022, and would be increased to 20 and 30 years over the subsequent six-month period.

### **SEBI Issued New Framework for Delivery Default in Derivatives Segment**

On 23,2021, the Securities and Exchange Board of India (SEBI) along with the Clearing Corporation of India Ltd. (CCIL) framed a new penal structure for the commodity derivatives segment in the event of delivery default. In agricultural and non-agricultural commodities, the penalty for delivery default by the seller will now be 4% and 3% of the settlement price plus replacement cost, respectively. The delivery default norms will be effective from the first trading day of May 2021.

### **ICICI Bank in Partnership with BillDesk and Razorpay Launched Instant EMI Facility – ‘EMI @ Internet Banking’**

On March 24, 2021, ICICI Bank headquartered at Mumbai, Maharashtra launched an instant EMI (Equated Monthly Instalments) facility in its internet banking platform ‘EMI @ Internet Banking’ in partnership with BillDesk and Razorpay, leading online payment gateway companies. ICICI Bank becomes the first Indian bank to introduce an instant EMI facility on an internet banking platform. It enables its pre-approved customers to convert their high-value transactions up to Rs 5 lakh into easy monthly instalments.

### **IOB launched Savings Account for millennials – ‘IOB Trendy’**

On March 24, 2021, Indian Overseas Bank (IOB) headquartered at Chennai, Tamil Nadu launched a savings account named ‘IOB Trendy’ which is customised for the millennial population of the country to meet their banking preferences. The millennial population comprises the people born during the period 1981-1996. In India, their population is estimated at 426 million, which is approximately 34 per cent of the total Indian population.

### **SEBI’s review over IGP framework & other issues**

On March 25, 2021, the Securities and Exchange Board of India (SEBI) decided to introduce many relaxations to the framework of Innovators Growth Platform (IGP) to help start-up and made some amendments to SEBI regulations such as Delisting of Equity Shares and Alternative Investment Funds. Eligibility requirement for Issuers- The issuer should have 25% of pre-issue capital held by eligible investors for 2 YEARS now it is reduced to 1YEAR...[Click here for detailed version](#)

### **YES Bank & SHEROES Launched ‘YES Essence Plus’ an Accelerator to Support Women Entrepreneurs**

On 24th March 2021, Yes Bank in partnership with SHEROES, a woman led social network launched “YES Essence Plus” a unique accelerator program to support the women entrepreneurs and women led startups. It aims encourage women entrepreneurs into the league of successful, scalable and sustainable businesses.

### **Karnataka Bank joined with IIFL Securities to launch ‘KBL Smart Trade’**

On March 26, 2021, Karnataka Bank headquarters at Mangalore, Karnataka made a tie-up with IIFL Securities, a broking and advisory firm and introduced ‘KBL Smart Trade’, a solution for its customer’s capital market needs by providing a facility to access IIFL Securities’ Demat and trading account. It will provide a two-in-one account facility that the Karnataka Bank’s Savings Bank Account holders can open a Demat & Trading a/c with IIFL Securities instantly.

## **FINANCE NEWS**

### **India Grants NRs 44.17million to Nepal to Build School**

Government of India has extended a grant of 44.17 Million Nepali Rupees (NRs) (around Rs. 2.7 crore) to the Government of Nepal for the construction of new school buildings in Rupandehi district of Lumbini province, Nepal under the Nepal Bharat Maitri Development partnership.

### **ABHICL introduced India's first Health Insurance plan with upto 100% Premium returns**

Aditya Birla Health Insurance Company Limited (ABHICL), Health Insurance subsidiary of Aditya Birla Capital Limited, has announced India's first initiatives of upto 100% health insurance premium returns and other products with upgrades under the new version of its Flagship product 'Activ Health Policy'. 'Activ Health' is Asia's first plan to offer mental illness counselling coverage and Industries first to cover unlimited homeopathy telemedicine.

### **Cashfree partners with PayPal to enable International Payments for Merchants**

Cashfree, a Bengaluru-based payment & banking technology company has partnered with PayPal to enable International payments for its merchants. It will enable businesses using Cashfree's payment gateway to show prices of all products in 28 + currencies. It will enable Businesses to add a PayPal Express Checkout option to their order pages and accept payments from users across 200 markets.

### **NPCI tie up with SBI Payments to launch a solution 'Rupay SoftPoS'**

On March 05, 2021, National Payments Corporation of India (NPCI) partnered with SBI Payments to launch 'RuPay SoftPoS' to transform NFC enabled smartphones into Point of Sale (POS) terminals for the merchants and retailers. In order to support Digital India's initiative of cashless digital transaction, NPCI has partnered with SBI Payments to launch a solution called 'Rupay SoftPoS. Using this facility, merchants were able to do digital payment and acceptance of up to INR 5000 through a simple 'tap and pay' mechanism via their smartphones.

### **HDFC ERGO launched Business Kisht Suraksha, to Protect MFIs & Financial Institutions Against Calamities**

HDFC ERGO General Insurance, a non-life insurance company in the private sector, launched a Business Kisht Suraksha, a unique cover to protect the balance sheet of the Microfinance Institutions (MIFs), Financial institutions and banks against the natural calamities and disasters. This will address the impacts of calamities on the lending business by compensating against climate change and protect the Financial institutes from rising Non-Performing Asset (NPA).

### **Edelweiss General Insurance Partnered with InterMiles to introduce 'Free Cancellation Travel Insurance'**

On March 10, 2021, India's 1st cloud-native insurers, Edelweiss General Insurance in partnership with InterMiles (leading travel and lifestyle rewards programme) launched Edelweiss Group Domestic Travel Insurance. Customers booking tickets on InterMiles to travel anywhere in India can use this policy by paying a nominal amount at the time of booking. Cancellation of the booking could be done easily, using the policy's Zero cancellation.

### **SEBI approved Paytm UPI handle to enable payment mandated for IPO applications**

On March 16, 2021, The Securities and Exchange Board of India (SEBI) has approved Paytm UPI handle to enable fast and seamless payment mandates for IPO applications to benefit millions of users to invest in capital markets through various brokerage platforms using their @Paytm UPI Handle. As per the latest National Payments Corporation of India (NPCI) report, PPBL registers the lowest technical decline rate of 0.02% as compared to all UPI remitter banks and 0.04% as compared to all UPI beneficiary banks

### **NPCI Launched 'UPI-Help' Feature on BHIM UPI app**

National Payments Corporation Limited (NPCI), an umbrella organisation for operating retail payments and settlement systems in India launched 'UPI-Help' on Bharat Interface for Money (BHIM) UPI, a part of its Digi-Help stack. This Feature will enhance the hassle-free experience on issue resolution for BHIM

UPI app users. Initially, this feature will be available for the customers of State Bank of India (SBI), AXIS Bank, HDFC Bank and ICICI Bank.

### **LIC of India launched an individual life assurance savings plan 'Bachat Plus'**

The Life Insurance Corporation (LIC) of India has launched Bachat Plus, a Non-Linked, Participating, Individual, Savings Plan which offers a combination of protection and savings & financial support for the family of the deceased policyholder any time before maturity. The Minimum Basic Sum Assured is Rs 1,00,000/- with no upper limit. The maturity period of the plan is about five years. The minimum policy term suitable is 10 years and maximum of 25 years under all the options.

### **Vayana Network Partnered with CRIF India to Launch GBS, a Tech-enabled Tools for MSMEs**

Vayana Network, a leading Supply chain financing platform has partnered with CRIF Solutions India, a global FinTech company and launched Good Business Score (GBS), a tech-enabled tool to support the Micro, Small & Medium Enterprises (MSME) in India to effectively measure and manage their businesses. It aims to provide the current accurate measure of the business health for MSMEs. GBS can be accessed by businesses on the Vayana Network platform where the merchant data is secured and confidential.

### **USAID, DFC announces USD 41 Million for financing Renewable Energy solutions in India**

United States Agency for International Development (USAID) & US International Development Finance Corporation (DFC) has announced a USD 41 Million (~ INR 297 Crore) Joint Loan Portfolio guarantee program for financing investments in renewable energy solutions including rooftop solar installations by Indian Small and medium-sized enterprises (SMEs). India has set a target to install 175 GW of renewable energy capacity by the year 2022. The government aims to achieve 40 GW renewable energy capacity by 2022 through the installation of rooftop solar projects.

### **SEBI fines Rs.53 lakhs on 6 Entities for Violating SAST Regulations**

On 16th March 2021, Security and Exchange Board of India (SEBI) fined Rs.50 lakhs on 4 individuals & 1 entity, Rajika Malhotra, Muskaan Malhotra, Shairee Malhotra, Makkanlal Sharma and Sirhind Steel Ltd. and Rs.3 lakhs fine on Ravi Malhotra for lapses on making disclosure while dealing with Aroma Enterprises (India) shares. The fine is imposed as they violated the provisions of SAST (Substantial Acquisition of Shares and Takeover) Regulations.

### **India at 8th position in 'Market-cap' Among World's Top 10 Nations: Bloomberg**

As per Bloomberg's recent data on Market capitalization, India remained at the 8th position among the top 10 nations with a market capitalization of \$2.8 trillion and its aggregate market capitalization increased 88% in dollar terms this fiscal and leads among the world's top 10 nations by market value growth this fiscal. This is the sharpest increase in aggregate market capitalization since FY11.

### **IRDAI Hiked the Maximum Cover Under Arogya Sanjeevani Policy from Rs 5 Lakh to 10 Lakh**

Insurance Regulatory and Development Authority of India (IRDAI), the insurance sector regulator has hiked the maximum cover under the standard health insurance plan – Arogya Sanjeevani Policy – from Rs 5 lakh to Rs 10 lakh and also has expanded the sum insured bands under the policy to between ₹50,000 and ₹10 lakh in multiples of ₹50,000 as against the previous range of Rs 1 lakh – Rs 5 lakh. Aims to bring more people under the ambit of health insurance by enhancing the coverage available under Arogya Sanjeevani Policy.

### **Govt Appointed NTPL as a Trustee for Rs 750 Cr Credit Guarantee Fund Under AHIDF**

On March 19, 2021, NABSanrakshan Trustee Pvt Ltd (NTPL), the wholly-owned subsidiary of National Bank for Agriculture and Rural Development (NABARD) headquartered at Mumbai, Maharashtra has

been appointed by the Government as a trustee for Rs 750 crore Credit Guarantee Fund under Animal Husbandry Infrastructure Development Fund (AHIDF). The Credit Guarantee Fund will provide credit guarantees to eligible entities assisted under AHIDF. The fund shall be operationalized under a trust – Credit Guarantee Fund Trust for Animal Husbandry and Dairying (CGFTAHD).

### **Danish Red Cross Launched the World's First Volcano Cat Bond**

Danish Red Cross headquartered at Copenhagen, Denmark has sponsored and launched the world's first Catastrophe Bond (cat bond) for Volcano-related disasters with the support of several financial firms. The cat bond covers 10 volcanoes, which aims to raise up to \$3 million and will transfer money from investors to the Danish Red Cross for aid in the aftermath of an eruption.

### **Niyo partners with Equitas SFB & Visa to launch NiyoX for millennials**

Niyo, a digital banking fintech, has partnered Equitas Small Finance Bank Limited (ESFBL) headquartered at Chennai, Tamil Nadu and Visa launched NiyoX, a mobile banking solution for millennials. The NiyoX offers '007 banking', it comes with 0% maintenance charges, 0% commission on mutual fund investments and 7% interest on the account balance.

### **BharatPe launched D2R Finance to provide instant liquidity for SMEs**

On March 26, 2021, BharatPe headquarters at New Delhi launched its lending product- Distributor to Retailer (D2R) Finance, to provide instant liquidity to empower Small and Medium Enterprises (SMEs). D2R is a short-term loan that is innovatively designed to address the constant liquidity challenge faced by SMEs and its loan disbursements will be within 1 business day.

## **2021 Banking & Finance - April**

### **RBI IN NEWS**

#### **RBI Fixed the WMA limit to Rs 1.2 lakh Crore for the 1st Half of FY22**

On March 31, 2021, The Reserve Bank of India (RBI), in consultation with the Government, decided the limits for Ways and Means Advances (WMA) for the centre to Rs 1.2 lakh crore for the first half of the financial year 2021-22 (FY22) i.e. April 2021 to September 2021.

#### **RBI Extended the Timeline for AFA Norms on e-Mandate to September 30, 2021**

On March 31, 2021, Reserve Bank of India extended the timeline for Banks to process the recurring payments through online transactions with Additional Factor Authentication (AFA) on e-mandate by 6 months i.e. till September 30, 2021. For opting e-mandate facility the cardholder should undertake a one-time registration process, with Additional Factor of Authentication (AFA) validation by the issuer.

#### **Government retained the inflation target 4% with a +/-2% Till March 2026**

On April 1, 2021, Government of India has decided to continue the existing inflation-targeting framework which fixed the inflation target (price stability) of 4% with a +/- 2% tolerance band (in the range of 2% – 6%) for the next 5 fiscal years i.e. FY22 to FY26. After framing the inflation target in 2016 the Retail inflation has fallen from 26% in the pre inflation targeting phase to an average of 3.9% post its adoption (excluding the pandemic period).

#### **RBI Tightened the Security Norms for Payment companies**

Following the rise in cyber-security breaches at Indian tech startups over the last few months, the Reserve Bank of India (RBI) has tightened its supervision norms over Payment companies that are storing customer data. As per RBI's norms, from April 1, 2021, all licensed payment system operators (PSOs) have to submit detailed "compliance certificates" to the RBI twice a year.

### India recorded Current account deficit of \$1.7 billion in Q3FY21: RBI report

As per the RBI's report "Developments in India's Balance of Payments during the Third Quarter (October-December) of 2020-21(Q3FY21)" on March 31, 2021, India has recorded a current account balance deficit of \$1.7 billion (i.e. 0.2% of Gross Domestic Product(GDP) in Q3FY21) due to the COVID-19's impact on trade. India had a deficit in the current account of about \$2.6 billion (i.e.0.4% of GDP in the Q3FY20).

### The Base rate of NBFC-MFIs borrowings for Q1 FY21 was 7.81%: RBI

Reserve Bank of India (RBI) has informed 7.81% as the applicable average base rate to be charged for the loans that are borrowed from Non-Banking Financial Company – Micro Finance Institutions (NBFC-MFIs) for the first quarter of Financial Year 2022 (Q1FY22).The base rate for the Q1FY22 was lower than that of Q4FY21 by 15 basis points (0. 15%).In Q1FY21 the base rate was about 8.76%.

### RBI extended RTGS and NEFT money transfer facilities to Non-Bank Payment System Operators

Reserve Bank of India (RBI) extended the membership of Centralised Payment Systems (CPSs) facilities such as National Electronic Funds Transfer (NEFT) and Real-Time Gross Settlement (RTGS) to non-bank payment system operators.Until now, only banks were allowed to use RTGS and NEFT payments facilities. RBI has doubled the Payments bank's deposit limit to ₹2 lakhs to improve the Interoperability of PPIs to full-KYC.

### RBI has extended PSL by Banks to NBFCs up to September 30, 2021

On April 7, 2021, the Reserve Bank of India(RBI) extended the classified lending of Banks to NBFCs for on-lending under the Priority Sector Lending (PSL) for 6 months i.e. up to September 30, 2021. To boost credit among small and needy borrowers, on August 13, 2019 RBI allowed banks to classify their lending to registered NBFCs (other than MFIs) as PSL which was about 5% of a bank's total PSL (for on-lending to Agriculture/MSME/Housing) till March 31, 2020, and later the facility was extended up to March 31, 2021.

### Highlights of the first bi-monthly monetary policy for FY 2021 -22

Reserve Bank of India's 6-members Monetary Policy Committee (MPC) had met on 5th, 6th and 7th April 2021 and released its first bi-monthly monetary policy statement for FY22 (April 2021 – March 2022). The Policy rates were kept unchanged, which are as follows:

The central bank's decision to keep rates unchanged for the fifth consecutive time.

Category	Rate
<b>Policy Rates</b>	
Policy Repo Rate	4.00%
Reverse Repo Rate	3.35%
Marginal Standing Facility (MSF) Rate	4.25%
Bank Rate	4.25%
<b>Reserve Ratios</b>	
Cash Reserve Ratio (CRR)	3.50%
Statutory Liquidity Ratio (SLR)	18.00%

### MPC's Statement on Developmental and Regulatory Policies:

RBI has decided to extend the Targeted Long Term Repo Operations (TLTRO) on Tap Scheme by a period of six months, i.e., till September 30, 2021.

RBI planned to extend fresh lending of Special Liquid Facility(SLF) of Rs 50,000 crore for FY22 to All India Financial Institutions (AIFIs)...[Click here for more detail](#)

### **RBI Amended India's Inflation-Forecasting Model – QPM**

RBI has revised the Quarterly Projection Model (QPM) to enrich the model's analytics and to capture the interactions between the fiscal and monetary policy with real-economy elements. The revised model is termed QPM 2.0 and it incorporates, fiscal-monetary dynamics, disaggregated fuel pricing (oil price, exchange rate and fuel taxes), the balance of payments and exchange rate interactions. The new model's framework was described as a forward-looking, open economy, calibrated, New-Keynesian gap model. The model consists of 3 blocks such as fiscal block, fuel block and balance of payments block.

### **RBI Announced its First OMP for Rs 25,000 crore under G-SAP 1.0**

Reserve Bank of India announced its first purchase of government securities for an amount of Rs 25,000 crore under the G-sec Acquisition Programme (G-SAP 1.0), the purchase was planned to be held on April 15, 2021. Under the OMP On April 15, the RBI planned to purchase 5 different types of government securities with different maturities for a total of ₹25,000 crores through a multi-security auction. The maturity dates may vary from November 2, 2023, to March 16, 2035.

### **Withdrawal of All-Inclusive Directions from Youth Development Co-operative Bank Limited - RBI**

On April 5, 2021, the Reserve Bank of India(RBI) withdrew all restrictions imposed on the Youth Development Co-operative Bank Ltd, Kolhapur, Maharashtra. Background: On January 5, 2019, The Cooperative Bank was placed under "All-Inclusive Directions" by RBI as per the Banking Regulation Act, 1949, and further extended from time to time, up to April 5, 2021.

### **RBI set up RRA 2.0 to Streamline its Regulations and Reduce Compliance**

RBI has formed the second Regulations Review Authority (RRA) named RRA 2.0 to Streamline its Regulations and Reduce Compliance procedures, in order to make them more effective. It was also set up for a period of one year from May 01, 2021, unless its tenure is extended by RBI. M. Rajeshwar Rao, Deputy Governor was appointed as the head of RRA. RBI has set up the first RRA for one year i.e. from April 1, 1999, to April 1, 2000.

### **RBI Set up a Committee Headed by Sudarshan Sen to Review Working of ARCs**

Reserve Bank of India (RBI) set up a 6-member committee to evaluate the role of Asset Reconstruction Companies (ARCs) in stressed debt resolution and review their business model. The committee will be headed by Sudarshan Sen, former executive director, RBI. The committee will review the existing legal and regulatory framework of ARCs and recommend measures to improve their efficiency and in addition will review their business models and role in the resolution of stressed assets, including under the Insolvency and Bankruptcy Code (IBC).

### **RBI Decided not to Activate CCyB due to Lack of Necessity**

Based on the empirical testing and review of Counter-Cyclical Capital Buffer (CCyB) indicators by The Reserve Bank Of India (RBI), it has decided not to activate CCyB at present as there is no necessity for it. CCyB is a part of Basel-III capital adequacy norms, which helps a bank to overcome distressed economic conditions. CCyB is supposed to be in the form of equity capital.

### **RBI Cancelled the Licence of Bhagyodaya Friends Urban Co-operative Bank**

Reserve Bank of India (RBI) has cancelled the license of Bhagyodaya Friends Urban Co-operative Bank Limited, Maharashtra in April 2021, as the bank doesn't have adequate capital to fund its depositors in full and as it did not comply with the various provisions of the Banking Regulation Act, 1949. After the license has been cancelled, the bank is prohibited from acceptance of deposits and repayment of deposits.

### **RBI Extended WMA Limit for six months to States, UTs**

On April 23, 2021, due to the prevalence of the COVID-19, The Reserve Bank of India (RBI) has informed the continuation of the existing interim Ways and Means Advances (WMA) limit of Rs 51,560 crore for all states and Union Territories(UTs) for 6 months i.e. up to September 30, 2021.

### **RBI Restricted American Express, Diners Club from Enrolling New customers**

Reserve Bank of India (RBI) has restricted American Express Banking Corp and Diners Club International Ltd, the payment system operators from on-boarding new domestic customers onto their card networks from May 1, 2021, due to the non-compliance with the directions on Storage of Payment System Data. American Express and Diners Club are authorized to operate card networks in India under the Payment and Settlement Systems Act, 2007 (PSS Act).

### **RBI Allowed Commercial Banks to Pay up to 50% of pre-COVID-19 Dividends**

RBI allowed banks for payment of dividends for FY21, with certain conditions and limits. RBI allowed commercial banks to pay up to 50 per cent of what they paid before COVID-19 from the profits for the fiscal ended March 31, 2021. Cooperative banks are permitted to pay dividend on equity shares from the profits of the financial year ended March 31, 2021. RBI mandated the banks to maintain the minimum regulatory capital requirements after dividend payment.

### **RBI Fixed the Bank's MD&CEOs Tenure at 15 years; Upper age limit at 70 years**

Reserve Bank of India (RBI) through its circular – “Corporate Governance in Banks – Appointment of Directors and Constitution of Committees of the Board”, has fixed 15 years tenure for the MD & CEOs or whole-time directors(WTDs) to hold their post in a bank and upper age limit is at 70 years. RBI's instructions are meant for private sector banks, small finance banks (SFBs) and wholly-owned subsidiaries of foreign banks..[Click here for more detail](#)

### **RBI Issued Guidelines for Appointment of SCAs/SAs with Continuous 3 Years Tenure**

Reserve Bank of India(RBI) issued guidelines for the appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding Regional Rural Banks(RRBs)), Urban Cooperative Banks (UCBs) and Non-banking finance companies(NBFCs) (including Housing finance companies(HFCs)) from FY22 onwards.The banks have to appoint the SCAs/SAs for a continuous period of 3 years, satisfying the eligibility norms each year. [Click here for the complete guidelines](#)

## **BANKING TECHNOLOGY**

### **Punjab National Bank launches digital initiative PNB@Ease**

On 12th April 2021 Punjab national bank(PNB) launched a digital initiative PNB@Ease to commemorate 127 years of their service to the nation. This service is set to be activated across 165 identified locations across India. All kinds of services can be availed such as from opening a savings account to apply for various kinds of loans without visiting a branch.

### **Axis Bank Initiates International Fund Transfer Feature in Mobile App**

Axis Bank has allowed its customers to make International Fund Transfers (send money abroad) in over 100 currencies across 150 countries through the ‘Send Money Abroad’ feature in the Axis Mobile application.The users can send up to USD 25,000 (Rs.~18.63 Lakh) per transaction.

### LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
World Bank(WB) and Asian Infrastructure Investment Bank (AIIB)	Government of Punjab	300 Million USD (around Rs.2190 crore)	World Bank(WB) and Asian Infrastructure Investment Bank (AIIB) have approved the loan for the 300 Million USD (around Rs.2190 crore) canal-based drinking water project in Punjab. The entire project will be co-financed by International Bank for Reconstruction and Development (IBRD) of World Bank (USD 105 million), AIIB (USD 105 million) and the Government of Punjab (USD 90 million).The \$105 million loan from the International Bank for Reconstruction and Development (IBRD), has a final maturity of 12.5 years including a grace period of three years.
Asian Development Bank (ADB)	Chennai-Kanyakumari Industrial Corridor(CKIC)	USD 484 Million (~₹ 3,616 Crore)	Asian Development Bank (ADB) approved a USD 484 Million (~₹ 3,616 Crore) Loan to improve transport connectivity and road maintenance in Chennai-Kanyakumari Industrial Corridor(CKIC) in Tamil Nadu.It aims to increase the participation of the manufacturing industry in production networks and global value chain and create jobs along the corridors.
Deutsche Bank AG	NCDC	€68.87 million (around Rs 600 crore)	National Cooperative Development Corporation (NCDC) made a deal with Deutsche Bank AG, a German investment bank to avail a loan of €68.87 million (around Rs 600 crore) to finance the development work of cooperatives across India. The NCDC also signed an MoU with the Kolkata-based Indian Chamber of Commerce (ICC) to support Farmer Producer Organisations (FPOs) to sell their produce. Both the agreements were presided over by the Agriculture minister Narendra Singh Tomar.

### AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
State Bank of India (SBI)	Japan Bank for International Cooperation (JBIC)	On March 31, 2021, the State Bank of India (SBI) has signed a loan agreement of \$1 billion with the Japan Bank for International Cooperation (JBIC) to provide loans for the whole range of business operations of the Japanese automobile manufacturers in India. In October 2020, SBI signed a similar \$1 billion loan agreement with JBIC. After the current loan

		agreement, the total loan facility is now about \$2 billion. The financing will assist the Government's 'Make in India' initiative.
Punjab National Bank(PNB)	SwitchON Foundation	SwitchON Foundation has partnered with Punjab National Bank(PNB) to offer finance to the marginal farmers for buying solar pumps.PNB will be financing solar pumps through the SwitchON Foundation's – First Loss Default Guarantee Fund. The basic aim of this fund is to help unbanked small marginal farmers without any collateral and to promote clean energy.
Indian Bank	BSNL	Indian Bank headquartered at Chennai,Tamilnadu signed a MoU with Bharat Sanchar Nigam Limited(BSNL) to provide telecom services to the bank at a competitive rate.The MoU was signed in the presence of the executive director of Indian Bank and chief general manager of BSNL Chennai Telephones. Indian bank already uses the service of BSNL and Mahanagar Telephone Nigam Ltd (MTNL) for the Wide Area Network (WAN) across India.

## OTHER BANKING NEWS

### RBL collaborated with Tide to serve Indian SMEs

On March 30, 2021, RBL Bank headquartered at Mumbai, Maharashtra, a Private sector lender, collaborated with UK based business banking fintech Tide Platform Limited (Tide) to provide bank account infrastructure to Tide's India platform to serve mainly small and medium enterprises(SMEs).Tide's first market outside the UK, is India due to its vast SME population of around 63 million, and the people's entrepreneurial spirit. Gurjodhpal Singh the former vice president of PayU (Payment Service Provider) will lead Tide's business in India.

### ICICI and AXIS Bank tied up to form NUE with Amazon and Visa as Partners

On March 31, 2021, ICICI Bank and Axis Bank, have tied up to launch a New Umbrella Entity(NUE) for retail payments along with global e-commerce major Amazon and cards major Visa as their partners.ICICI Bank and Axis Bank will be co-leading with each having a 20% stake (40%) and the other partners including Amazon, Billdesk, Pine Labs and Visa will be holding a stake of 15% each (60%). RBI allowed other organisations to set up umbrella entities for payments systems to create an alternate mechanism(rivalry) to the National Payments Corporation of India (NPCI) for speeding up the cashless payment.

### World Bank approves USD 32 Million Project to improve Healthcare services in Mizoram

On April 1, 2021, the World Bank Board of Executive Directors approved a USD 32 Million (~INR 234.80 Crores) Project titled 'Mizoram Health Systems Strengthening Project' for improving management capacity and quality of health services in Mizoram.The project will help Mizoram to improve quality certification at health facilities, enhance human resources, improve health insurance and other innovations.Headquarters of World Bank is Washington D.C., USA.

### Govt has infused Rs 14,500 Cr to 4 PSBs under Zero-Coupon Recapitalisation Bonds

On March 31, 2021, The Government of India has infused Rs 14,500 crore (\$1.98 billion) in four weak Public Sector Banks (PSBs) namely by issuing them non-interest-bearing Zero-Coupon Recapitalisation Bonds with maturities between March 31, 2031, and March 31, 2036. Out of the total amount infused the Central Bank of India was provided with Rs 4,800 crore, Indian Overseas Bank (IOB) with 4,100 crores, Bank of India with Rs 3,000 crore and UCO Bank with Rs 2,600 crore. The government has allocated Rs 5,500 crore to Punjab and Sindh Bank (P&SB) in Q3FY21.

### **Dutch Development Bank invested \$137 million in India's EverSource Capital's GGEF**

On April 2, 2021, Dutch entrepreneurial development bank (FMO) invested \$137 million (~ Rs 1000 crore) in India's Green Growth Equity Fund (GGEF), managed by EverSource Capital, to invest in India's green energy space such as clean energy, transportation, resource efficiency and energy services. This fund-raising was approved by South Korea-based Green Climate Fund's (GCF) board, the world's largest dedicated climate fund. Earlier this BP Plc, a British multinational oil and gas company announced a \$70 million investment in GGEF.

### **SEBI modified its framework on AMCs contribution to set up LPCC**

Securities and Exchange Board of India (SEBI) modified its framework relating to the guidelines on contribution to set up Limited Purpose Clearing Corporation (LPCC) by Asset Management Companies (AMCs) of Mutual Funds (MFs). In February 2021 SEBI has issued certain guidelines such as, requirement for the contribution of Rs.150 crores as share capital from AMCs for setting up of LPCC by mutual funds.

### **Jana SFB tied up with Axis Securities to Offer Services through a 3-in-1 Account**

Jana Small Finance Bank (Jana SFB) made a tie-up with Axis Securities, a wholly-owned subsidiary of Axis Bank, to offer banking and investment services to its customers through a 3-in-1 account. The 3-in-1 account integrates the Savings Bank Account maintained by Jana Small Finance Bank & Demat and Trading Accounts maintained by Axis Securities. It will be useful for the customers to transfer funds quickly by reducing paperwork.

### **U GRO Capital Partnered with SBM Bank India to Launch Credit Card for MSMEs**

U GRO Capital in partnership with SBM Bank India launched "GRO Smart Business" credit card for Micro, Small and Medium Enterprises (MSMEs). The Credit Card is powered by RuPay, along with EnKash. These are specially designed for underbanked micro, small and medium enterprises (MSMEs). It will empower MSME entrepreneurs by providing financial assistance to solve multiple financial challenges.

### **SEBI Imposed Rs 25 Crore Fine on promoters of Reliance Industries Limited (RIL)**

Securities and Exchange Board of India (SEBI) imposed a Rs.25 crores fine on the promoters of Reliance Industries Limited (RIL) (Mukesh Ambani, Anil Ambani, Nita Ambani, Tina Ambani) for the violation of the takeover code regulations in 2000. The imposed penalty will be jointly paid by the 34 individuals named in the SEBI order which includes the mother and children of Mukesh Ambani and Anil Ambani within 45 days.

### **India's First Municipal Green Bond was Issued by Ghaziabad, Uttar Pradesh**

Ghaziabad Municipal Corporation, a civic body in Uttar Pradesh (UP), has become India's first municipal corporation to issue municipal green bonds. On April 8, 2021, Ghaziabad Municipal Corporation issued municipal green bonds in BSE and raised Rs 150 crore (Base Issue: 100 Crore with the greenshoe option of 50 Crore). The corporation has received Rs 19.5 crore incentive from the Union government for raising funds through municipal bonds.

The merchant bankers to the bond issue were A K Capital Services Ltd and HDFC Bank Ltd.

### **Mobisafar partnered with YES BANK, NPCI to launch RuPay Prepaid Card**

Mobisafar Services Private Limited, a Fintech start-up made a partnership with YES BANK & with National Payments Corporation of India (NPCI) for RuPay to launch 'Mobisafar Virtual RuPay Prepaid card'. The prepaid card will provide an easier way to access the wallet through both the mobile app and desktop with a reloadable limit.

### **Airtel Payments Bank Announced 'Rewards123' Savings**

Airtel Payments Bank announced its new savings account 'Rewards123' which offers benefits and value to customers when they transact digitally using the bank account.

Annual Fee: 'Rewards123' could be availed by the customers at an annual fee of Rs.299.

### **YES Bank implemented its first SOFR linked trade transaction**

YES Bank executed its first Secured Overnight Financing Rate (SOFR) linked trade borrowing transaction from an American Lender Wells Fargo Bank. The borrowing is intended to provide further impetus to the bank's export finance business. This is an on-balance sheet transaction and the first onshore foreign currency borrowing on the SOFR benchmark.

### **SEBI has Revised the Reporting Formats for Mutual Funds**

Based on the consultation from the industry, the Securities and Exchange Board of India (SEBI) has revised the reporting formats for mutual funds with new guidelines. The guidelines are for the reports which will be submitted by asset management companies (AMCs) to trustees, by AMCs to SEBI, and by trustees to the SEBI. SEBI has discontinued the bi-monthly and half-yearly basis submission of the compliance certificate by an AMC to the trustees and added both the reports in their quarterly report.

### **NHB provides Rs. 10,000 crore Special Refinancing Facility 2021 to HFCs & PLIs**

National Housing Bank (NHB) has launched Rs.10,000 crore 'Special Refinance Facility-2021' (SRF-2021) Scheme for Housing Finance Companies (HFC) and Primary Lending Institutions (PLI). The main objective of this scheme is to provide liquidity Support to HFCs and eligible PLIs by providing short term refinance support. Under this SRF, NHB has decided to provide short term liquidity support to PLIs.

### **USFB Made First Digital Lending Partnership with NIRA**

Ujjivan Small Finance Bank (USFB) headquartered at Bengaluru Karnataka made a partnership with a fintech, NIRA to strengthen its digital footprint and onboard its customers for Personal Loans. This was USFB's first Digital Lending Partnership.

### **Citi bank to withdraw consumer banking business in India**

On 15th April 2021, the multinational investment bank, Citi bank headquartered in New York has announced to exit its consumer banking operations in India. As a part its global restructuring process Citi bank has decided to close its operations in consumer banking in 13 countries which includes Australia, Bahrain, China, India, Indonesia, Korea, Malaysia, Philippines, Poland, Russia, Taiwan, Thailand and Vietnam.

### **RBL Bank partners with Mastercard to offer first of kind payment solution**

RBL Bank headquartered at Mumbai, Maharashtra announced its partnership with Mastercard to provide first of its kind payment solution in India through the Pay by bank app. It is a mobile based consumer friendly payment solution. Through this payment solution – the Pay by Bank app, customers of RBL bank will be able to do contactless transactions both in store and online across the world.

### **SEBI Issued Guidelines for Warehousing Norms for Agri and Non-Agri Goods**

SEBI has issued guidelines for preparing warehousing norms by Clearing Corporations (CCs) for agricultural/agro-processed goods and non-agricultural goods (base and industrial metals). The guidelines would come into effect from June 1, 2021. The norms set by CCs will be the minimum requirements/standards that its Warehouse Service Providers (WSPs) should comply with. In addition to the norms of CCs, the WSPs should comply with the norms laid down by Warehousing Development and Regulatory Authority (WDRA).

### Market Share in IHLs Remains Higher in Banks than HFCs: NHB

As per the National Housing Bank’s (NHB) report “The Trend and Progress of Housing in India” April 2021. The market share of banks in individual housing loans (IHLs) has gone up to 67% in 2019-20 from 62% in 2017-18 and housing finance companies (HFCs) has come down to 33% (2019-20) from 38% (2017-18). The market share of Individual Housing Loans (IHLs) in banks remained higher than that of Housing Finance Companies (HFCs).

#### Analysis of IHLs market share:

	Market Share on IHLs (2019-2020)	Market Share on IHLs (2018-2019)	Market Share on IHLs (2017-2018)
<b>Banks</b>	<b>67 per cent</b>	64 per cent	62 per cent
<b>HFCs</b>	<b>33 per cent</b>	36 per cent	38 per cent

### Currency Chest Theft From Axis Bank in Chandigarh’s Sector 34

Rs 4.04 crore has been stolen by a private security guard from the Currency chest of Axis Bank in Chandigarh’s Sector 34. It is the first time in Chandigarh where such a huge amount was stolen from inside a bank. It is a depository of the Reserve Bank of India (RBI), in which it stocks the money meant for banks and ATMs. Whenever, RBI prints new currency notes, first it delivers to currency chests and then currency chests deliver these new currency notes to banks.

### ADB partners with Habitat for Humanity to provide housing loans to vulnerable communities

Asian Development Bank (ADB) headquartered at Manila, Philippines announced its partnership with Habitat for Humanity International to help Microfinance Institutions (MFI) in providing housing loans to low-income families in rural and semi urban areas of Bangladesh, India, Indonesia and Philippines. It also aims to expand ADB’s Microfinance Risk Participation and Guarantee Program by providing micro loans for housing, home improvement and water sanitation for vulnerable communities.

### Google pay creators partners with Federal bank to launch Neobank Fi

Sujith Narayanan and Sumit Gwalani, co-creators of Google Pay have announced the launch of Fi, a NeoBank for salaried millennials in partnership with Federal Bank. Fi’s android app will start operation from 21st April 2021 and its iOS app is still in processing and will be launched soon. The android app was in beta mode with 500 users.

### Co-lending Partnership between HDFC & Indiabulls HFL

On April 21, 2021, Housing Development Finance Corporation (HDFC) Ltd and Indiabulls Housing Finance Limited (Indiabulls HFL) entered into a strategic co-lending partnership to offer housing loans to homebuyers. The loans under the program will be in the funding ratio of 80:20 in which 80% of the loan is with HDFC and 20% with Indiabulls HFL.

### South Africa’s second largest bank, FirstRand Bank to exit India

FirstRand Bank, the second largest bank in South Africa has decided to withdraw its banking services from India just within a week of Citi bank’s exit. The Asset value is \$118 billion. The bank has its only office in Mumbai and acts as a branch of FirstRand Bank South Africa.

### First Neobank in Kerala – Launched by Aceware Fintech

Aceware FinTech Services, a Kerala-based fintech services company, launched Kerala’s first neobank called Ace Money Neobank, in partnership with YES Bank and ICICI Bank. Under Ace Money Neobank, the start-ups, merchants, and enterprise entities can open present accounts, in line with the corporate.

### **IOB appoints Ernst & Young as its Digital Consultant**

Indian Overseas Bank (IOB) appointed Ernst & Young Global Limited, a multinational professional services network as its digital consultant. This partnership is a part of IOB's growth strategy to transform its banking services into Digital format.

### **BRICS' NDB Issued USD 1.5 billion Benchmark Bond**

In April 2021, the New Development Bank (NDB) headquartered at Shanghai, China of BRICS (Brazil, Russia, India, China, and South Africa) issued a USD 1.5 billion benchmark bond with 5 years of maturity. This is the 3rd USD benchmark bond offering of NDB in the international markets. NDB will use the total earnings of the Bond for financing sustainable development activities and to provide COVID-19 Emergency Program Loans to the member countries (BRICS). In 2021, NDB plans to raise ~USD 7 billion equivalents across international and domestic capital markets across different currencies.

### **BFSL, Mastercard Launched World's 1st QR on Card Program - ConQR to Support SMEs**

The Mastercard and Bank of Baroda Financial Solutions (BFSL) headquartered at Mumbai, Maharashtra, a wholly-owned subsidiary of Bank of Baroda came together to launch World's 1st QR on Card Program 'ConQR' - a Mastercard QR on Card solution to simplify digital payments of Small and medium-sized enterprises (SMEs). ConQR Credit Card will have a Bharat QR Code on the card face (as part of the card personalisation process), and it will work based on a Mastercard patented technology.

### **Indian Bank Partners with Chennai Angels to support Start-ups**

In order to extend support to Start-ups under the program 'IND Spring Board', Indian Bank headquartered at Chennai, Tamil Nadu made an agreement with The Chennai Angels, an angel investment group on April 22, 2021. It aims to support Start-ups for the expansion of their commercial production. Under this programme, Indian Bank will provide credit facilities of up to Rs 50 crore for working capital requirements and also provide term loan requirements for acquiring fixed assets for their unit.

### **ICICI Bank, SBI Cards Leads New Credit Card Issuance as HDFC Bank under Temporary Halt**

Reserve Bank of India (RBI) has stopped HDFC which has the largest credit card base in India from issuing new credit card due to a series of digital banking outages from December 2020. ICICI Bank and SBI Cards have a strong growth in new Credit card issuance from December 2020 to February 2021, after the temporary halt of HDFC Bank Ltd from issuing new cards.

### **ADB provided \$1.5 billion to India to deal with pandemic**

According to the latest Annual Report of Asian Development Bank (ADB) on 27th April 2021 ADB had provided \$1.5 billion (~Rs 1.11 lakh crore) to India to tackle covid-19. The \$1.5 billion finance support to India is a part of the ADB's \$16.1 billion pandemic response in 2020 through a \$20 billion assistance package announced by ADB in April 2020 to help its 26 member countries in managing the pandemic. The headquarters of ADB is Mandaluyong, Manila, Philippines.

### **Axis Bank Board Approved the Reclassification of NIACL from Promoter to Public Investor**

The board of Axis Bank headquartered at Mumbai, Maharashtra approved the reclassification of New India Assurance Co Ltd (NIACL) from promoter category to public category investor. As of April 22, 2021, 0.67 per cent of the total issued and paid-up equity share capital of the Axis bank was held by NIACL. The approval of the stock exchanges, statutory/regulatory authorities and shareholders of the bank are also subjected to reclassification.

## **ICICI Bank Launched Digital Banking Service for Merchants - 'Merchant Stack'**

ICICI Bank launched 'Merchant Stack', a digital banking services for retail merchants especially for the Micro, Small and Medium Enterprises (MSMEs) and Entrepreneurs such as to enable the merchants such as grocers, supermarkets, large retail store chains, online businesses and large e-commerce firms to serve their customers continuously under pandemic using contactless banking services.

## **FINANCE NEWS**

### **Ujjivan SFB Collaborates with nStore to Digitise Offline Retailers And Small Businesses**

On 30th March 2021, Ujjivan Small Finance Bank(Ujjivan SFB) headquartered at Bengaluru, Karnataka partnered with nStore Technologies Private Limited (nStore) to digitise offline retailers and small businesses in India. Under this collaboration, Ujjivan SFB will offer the mobile application 'nLincs' was developed by nStore, to its current account holders who own local businesses and enable them to sell their products online.

### **NPCI set 30% market cap on UPI Transactions for TPAPs with Exemptions**

National Payments Corporation of India(NPCI) had headquartered at Mumbai, Maharashtra has framed a new rule that limit digital payment apps' share in the overall volume of transactions on the unified payment interface (UPI) at 30 per cent in a bid to end the monopoly of Big Tech firms on the growing payments market in India. The limit of 30% will be calculated based on the total volume of transactions processed on UPI by the payment apps during the preceding three months.

### **NPCI set up a subsidiary firm – NPCI Bharat BillPay Ltd**

On April 01, 2021, National Payments Corporation of India (NPCI) formed its wholly-owned subsidiary firm called NPCI Bharat BillPay Limited (NBBL) to offer recurring payment services. NPCI transferred all its Bharat Bill Payment System (BBPS) transaction mandates to the newly formed subsidiary. It has a paid-up capital of Rs 5 lakh and a Share capital of Rs 1 crore. Banks and payment aggregators on the Bharat Bill Payment Operating Units (BBPOU) platform have been asked to start accounting their billing transactions under NBBL from April 1, 2021.

### **CDC tied up with Northern Arc for PBI to support MFIs**

CDC Group, the UK government's development finance institution, has made a partnership with Northern Arc Capital Limited (NACL), for investing a total of Rs 320 crore under pooled bond issuance (PBI) to support six leading Indian microfinance institutions (MFIs). CDC's Rs 320 crore investment in a pool of NACL is its first-ever transaction in India. The investment will support MFIs by providing over 6.3 lakh micro-loans to low-income households (primarily female and rural borrowers).

### **NIIFL made its 1st investment in Health sector by its investment in Manipal Hospital**

On April 1, 2021, The National Investment & Infrastructure Fund Ltd (NIIFL) made its first investment in the Indian healthcare sector by its investment of ₹2,100 crores in Manipal Hospitals through its direct private equity fund, Strategic Opportunities Fund(SOF). NIIFL will get a minority stake in Manipal Hospitals as Chairman of Manipal Education and Medical Group RanjanPai is selling a small percentage of his stake in the company.

### **PayPal Launches Cryptocurrency Checkout Service in United States**

PayPal Holdings Inc has started allowing United States(U.S.) consumers to use their cryptocurrency holdings to pay its online merchants globally. In PayPal digital wallets, Customers who hold bitcoin, ether, bitcoin cash & litecoin will be able to convert their holdings into fiat currencies at checkouts to make purchases.

### **ReNew Power Pvt. Ltd To Invest \$9 Billion in Wind and Solar Projects**

ReNew Power Pvt. Ltd stated that, it will invest \$9 Billion (~ INR 67,154 Crore) in Wind and Solar Projects through 2025 in order to help the government of India's Green Push Initiative. It aims to reduce the emission & create climate friendly environment. Target – To more than triple its renewable power capacity to 18.5 gigawatts by 2025.

### **FlexiLoans.com Partnered with PayPal to Offer Collateral Free Loan to MSME's & Freelancers**

FlexiLoans.com, a digital lending platform focused on Micro, Small & Medium Enterprises (MSME) partnered with PayPal, a leading digital payments company to offer collateral-free business loans to MSMEs, freelancers, women entrepreneurs and sole proprietors. This partnership is in line with PayPal's commitment to provide innovative credit solution capabilities to Indian merchants who sell cross-border using PayPal.

### **Bharti Axa Life Entered into Bancassurance Partnership with Fincare SFB**

Bharti Axa life insurance and Fincare Small Finance Bank(SFB) Limited headquarters at Bengaluru, Karnataka joined hands for a bancassurance partnership under which the bank will sell insurance policies to its customers. This partnership will enable the Fincare SFB to offer need-based financial protection products suitable for the major segment of the population who are not aware of the benefits of insurance.

### **IMF Policy Panel endorses USD 650 Billion Increase in SDR Allocation**

International Monetary Fund's (IMF) Policy Panel has authorized a USD 650 billion expansion of its International Reserve Asset (known as Special Drawing Rights (SDR)). It is the largest ever increase of reserves in IMF's history. The size of reserves has been increased with an aim of providing financial assistance to vulnerable countries which are struggling with recessions caused by the Pandemic. The first distribution of the fresh USD 650 Billion SDR is expected to start in August 2021. Headquarters of IMF is Washington D.C., USA.

### **WazirX launched an NFT marketplace for Indian Artists**

WazirX, the Binance-owned cryptocurrency exchange has launched one of India's first marketplaces for Non-Fungible Tokens (NFT), which will enable Indian artists and creators to auction their digital assets over the Blockchain-based platform and earn royalty. This marketplace enables the exchange of digital assets and intellectual properties such as art pieces, audio files, videos and even tweets apart from other digital goods and services.

### **RXIL Becomes the 1st TReDS Platform to Record Highest Monthly Transactions**

Receivables Exchange of India Ltd (RXIL), leading invoice discounting platform for MSMEs, has become the 1st TReDS Platform to record the highest monthly transaction volumes of Rs 1,000 crore in the month of March, 2021. RXIL, the 1st TReDS, has increased its transaction volumes from Rs 69 crore in April 2020 to Rs 1,105 crore in March 2021, which is an indication of the revival and resumption of the economic activity.

### **Bill Desk Partnered J.P. Morgan To Provide Online Payments Solutions**

Payments aggregator Bill Desk has Partnered with Global Financial Institution, J.P. Morgan to provide online payments solutions to corporate clients of J.P. Morgan. This Partnership will integrate Bill Desk's payments platform with the J.P. Morgan Access banking portal & uses Application Programming Interface (API) technology to authenticate and verify payments instantaneously, allowing payments to be executed in real time.

## **Beneficiaries of Government Welfare Scheme Can Open 'Basic Savings Account' in Post Office**

In exercise of the powers conferred under Section 3A of the Government Savings Promotion Act 1873(5 of 1873) Finance Ministry has amended the Post Office Savings Account Scheme, 2019 & the Scheme was named as "Post Office Savings Account (Amendment) Scheme, 2021". Under this amendment, the government had reduced the Account Maintenance Fee from ₹100 to ₹50 and also announced the facility for a beneficiary of the Government welfare scheme to open a Basic Savings Account in the Post office which is similar to "Basic Savings Bank Deposit Account" (BSBDA).

## **IRDAI has Amended the Insurers' FoF Investment in AIFs**

Insurance Regulatory and Development Authority of India (IRDAI), the insurance sector regulator has amended rules for the local insurers to make investments in the fund of funds(FoFs) in Alternative Investment Funds (AIFs). Earlier, as per the 'Investment -Master circular -2017' by IRDAI ,it was not permitted investments in AIFs, which are of Fund of Funds(FoFs) and leverage funds

## **IRDAI has Extended the Regulatory Sandbox Regulations for 2 Years**

Insurance Regulatory and Development Authority of India (IRDAI) has extended the validity of Regulatory Sandbox for 2 years as per the IRDAI (Regulatory Sandbox) (Amendment) Regulations, 2021. As most of the approved experiments may not be completed (due to COVID-19) within the scheduled time of July 25, 2021.

## **IFC Invests USD 100 mn in J.C. Flowers India Opportunities Fund**

International Finance Corporation (IFC) headquartered at Washington D.C.,USA,a member of the World Bank Group announced to invest USD 100 million in J.C. Flowers India Opportunities Fund to help Indian financial institutions or the domestic lenders(Lenders in India) to resolve their distressed assets and free up the capital for new lending.The investment is part of IFC's Distressed Asset Recovery Program's (DARP) work in India.Initially, IFC will invest USD 40 million.

## **ETMONEY launched India's first Aadhaar-based SIP payment**

ETMONEY,India's leading investment app launched India's first Aadhaar-based Systematic Investment Plan(SIP) payments feature. This feature will enable anyone to start a SIP online and make automatic payments using a simple Aadhaar based One-Time Password (OTP) verification.

## **SBI General Insurance signed a Corporate Agency Agreement with UBKGB**

In April 2021, SBI General Insurance has signed a Corporate Agency Agreement with Uttarbanga Kshetriya Gramin Bank(UBKGB) headquartered at West Bengal to retail its insurance products. Through this agreement, SBI General Insurance's products will be distributed in West Bengal through UBKGB.

## **LIC Partners with Paytm for handling e-payments**

India's Largest Insurer, Life Insurance Corporation (LIC) of India has appointed Paytm to carry out its digital transactions.The partnership aims to hope with the increasing demand of digital payment.It aims to provide an easy payment process, a broader range of payment options, and more players (wallets, banks, etc) in payment channels to the customers of LIC.

## **Gramcover partners with AICIL to enhance insurance penetration in rural India**

A rural insurtech startup Gramcovers and the Agriculture Insurance Company of India Limited(AICIL) have partnered to develop the insurance penetration in rural India. .The main objective of this partnership is to identify and develop useful rural insurance products that could help farmers.It also aims to increase the insurance coverage in rural parts of India.

### **PhonePe becomes 1st company to cross 1 billion transactions in UPI**

PhonePe, a Bengaluru based digital payments and financial services company has become the first company to cross 1 billion transactions on Unified Payment Interface (UPI). The company has crossed over 1.3 billion transactions on its platform across payment offerings of wallet, cards and UPI in March 2021. PhonePe has seen a growth in UPI transactions to 975.53 million in February 2021 from 902.03 million in December 2020.

### **Bitex Became the First Cryptocurrency Exchange in India to Provide Investment Declaration Reports**

Bitex, the United Arab Emirates (UAE) based Cryptocurrency exchange, has announced its issuing of investment declaration reports for all its retail and institutional investors in compliance with the amendments made to the Companies Act 2013, by which it became the first Crypto currency exchange in India to provide such reports.

### **SBI MF becomes 1st mutual fund company to cross Rs.5 lakh crore AAUM**

SBI Mutual Funds (MF) announced that its Average Assets Under Management (AAUM) has crossed Rs.5 lakh crore making it the first mutual fund company to cross this mark. Its AAUM has increased to Rs.5.04 lakh crore in 2020-21 from Rs.3.37 lakh crore in 2019-20 fiscal year. SBI MF has seen a growth of 35 percent during the financial year 2020-21.

### **Tata Steel and HSBC Executed Global First Blockchain-enabled, Paperless Trade Transaction in Steel Industry**

Tata Steel Ltd and HSBC, a banking and financial services organisation, executed the global first blockchain-enabled paperless transaction in steel industry. Under the transaction, Tata Steel exported steel to Universal Tube & Plastic Industries, UAE. Contour and essDOCS are the blockchain platforms used under the transaction. HSBC UAE has issued the Letter of Credit (LC) to Universal Tube & Plastic Industries (Importer) with HSBC India, as the advising and negotiating bank for Tata Steel (Exporter).

### **HSBC India ties up with Google Pay and Visa for tokenization on its credit card**

HSBC India headquartered at Mumbai, Maharashtra has partnered with Google Pay (GPay) and Visa to provide a secured tokenization on its credit cards. Because of this partnership, contactless payments can be done by linking HSBC credit cards in Google Pay and it will help to avoid physical contact for payment. This is done based on the principle of NFC (Near Field Communication), QR pay and in-app purchase.

### **PFRDA Plans to Raise the NPS' Entry Age Limit to 70 years**

Pension Funds Regulatory and Development Authority (PFRDA) is planning to raise the maximum age of entry into the National Pension System (NPS) to 70 years from 65 and plans to allow those who join after the age of 60 to continue their NPS accounts till 75 years (Present age limit is 70). It is expected that PFRDA may add around 10 million new subscribers in FY22 for NPS and Atal Pension Yojana (APY) combined (Added 8.3 million in FY21) and it plans to increase the limit for full withdrawal of the pension amount by Rs 5 lakh (Present limit Rs 2 lakh or less).

### **IFSCA Allowed NBFC's Investment in GIFT City**

International Financial Services Centre Authority (IFSCA) headquartered at Gandhinagar, Gujarat allowed the Non-Banking Finance Companies (NBFCs) (both local and global) to start their operations in Gujarat's GIFT City (Gujarat International Finance Tec-City) to enable the local NBFCs to get global exposure. Earlier Banks, Foreign financial institutions and Reinsurance companies were only allowed to operate under GIFT city and now NBFC also came under the list.

### **IRDAI Allowed Investments in Debt Securities of InvITs, REITs**

Insurance Regulatory and Development Authority of India (IRDAI) allowed insurers to invest in debt securities issued by infrastructure investment trusts (InvITs) and real estate investment trusts (REITs). IRDAI has categorised the investments in debt instruments of InvITs and REITs rated above AA as “approved investments” and rated below AA as “other investments”.

### **Paytm Launched India's 1st Video-based Wealth Community**

Paytm headquartered at Noida, Uttar Pradesh introduced India's first video-based wealth community for the users to interact on different wealth topics such as Initial public offering(IPO), Futures and Options(F&O), Exchange-traded funds(ETFs), mutual funds, stocks, gold, fixed income, and personal finance. Paytm wealth community will be owned and operated by One97 Communications Limited (OCL Ltd) and the beta mode of the community was launched on the Paytm Money platform.

### **SBI Mutual Fund Launched its Second Index Fund – SBI Nifty Next 50 Index Fund**

SBI Mutual Fund launched SBI Nifty Next 50 Index Fund an open-ended index scheme. It is the second index fund of SBI Mutual Fund as it already has the SBI Nifty Index Fund under the Exchange Traded Fund (ETF) category. It aims to enable the investors to invest in all securities under Nifty Next 50 Index with lower costs.

### **Govt Infused Rs 200 crore into IFCI to Improve its Financial Condition**

In order to improve the financial health of the Industrial Finance Corporation of India (IFCI), in April 2021, the Government has infused Rs 200 crore capital in IFCI through issue of equity shares. After the capital infusion, the government's holding in IFCI was increased from 61.02 per cent to 63.8 percent. Headquarters of IFCI is New Delhi.

### **FSS and NIPL Partner to Expand UPI in International Market**

Financial Software and Systems (FSS), India's largest payments processor, and NPCI International Payments Ltd (NIPL) made a partnership to expand Unified Payment Interface (UPI) rails in international markets. India's UPI processed transactions in 2020 are equivalent to 15% of GDP (worth \$457 billion) with a 285% Compound annual growth rate (CAGR).

### **Google and Mastercard offers Funds to Tackle the COVID-19 crisis in India**

Sundar Pichai, Chief Executive Officer (CEO) of Google and Alphabet, announced that Google will provide around Rs 135 crore as an aid to India to tackle the COVID-19 crisis in India. Google's fund will help India to procure medical supplies including oxygen and testing equipment. Mastercard, the US-based multinational financial service company, has announced a 10 Million USD fund to support India's combat against the COVID-19 crisis.

### **Govt Retained the GPF Interest Rate Unchanged at 7.1% for Q1 FY22**

Ministry of Finance, Government of India(GoI) retained the General Provident Fund (GPF) and other non-government PF, Gratuity funds interest rate unchanged at 7.1 per cent for the first quarter Q1 of FY22. In April 2020, the GPF interest rate was changed from 7.9 per cent to 7.1 per cent and after that, the interest rate was being unchanged consecutively for 5 quarters.

## 2021 Banking & Finance - May

### RBI IN NEWS

#### RBI Became a member of Network for Greening the Financial System

RBI joined as a member of Central Banks and Supervisors' **Network for Greening the Financial System (NGFS)** from April 23, 2021.

- ❖ It was launched at the Paris One Planet Summit on December 12, 2017.
- ❖ RBI will contribute to global efforts on green finance and climate change. It has structured 5 work streams to achieve its work program.

#### RBI imposed Rs 40 lakh penalty to Himachal Pradesh State Cooperative Bank

- ❖ The RBI has imposed a penalty of **Rs 40 lakh on Himachal Pradesh State Cooperative Bank**, Shimla, for non-compliance with certain regulatory directions issued by NABARD.
- ❖ The penalty has been imposed for non-compliance with regulatory directions issued by NABARD contained in "Review of Frauds - Guidelines on Monitoring and Reporting System".

#### RBI Imposed Monetary Penalty of Rs 3 crore on ICICI Bank for Contravention of Rules

The Reserve Bank of India (RBI) imposed a Rs.3 crore monetary penalty on ICICI Bank for contravention of certain directions issued by the RBI on 'Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks in July 2015.

**Cause for the Penalty:** For shifting of securities in May 2017 from HTM (held to maturity) category to AFS (available for sale) without explicit permission.

- ❖ The penalty is intended only over the ICICI bank's insufficiency in regulatory compliance and not over any agreement by the bank with its customers.
- ❖ Under the provisions of section 47 A (1) (c) read with section 46 (4) (i) of the Banking Regulation Act, 1949 (the Act), RBI was vested with the power to impose penalty.

#### RBI's Comprehensive Credit Support Measures Against the Second wave of COVID-19

Reserve Bank of India announced a series of measures and Comprehensive strategies to support all stakeholders from the second wave of COVID-19 led economic difficulties.

- ❖ Term Liquidity Facility of ₹50,000 crores to Ease Access to Emergency Health Services.
- ❖ RBI introduced special three-year long-term repo operations (SLTRO) of Rs 10,000 crore at a repo rate for the SFBs.
- ❖ RBI allowed the utilisation of 100% floating provisions for non-performing assets.
- ❖ RBI Increased State Governments' OD Facility Tenor to 50 days.
- ❖ RBI Announced 2nd G-Sec Purchase under G-SAP 1.0 for Rs 35,000 crore; G-sec Yields Softens...[Click here for all measures...](#)

#### RBI set up Advisory Group to Assist RRA 2.0

A new **6 members committee** constituted by Reserve Bank of India's (RBI) Regulations Review Authority (RRA 2.0)

**Committee name** - Advisory Group to assist RRA 2.0

**Head of the committee** - S Janakiraman, MD of State Bank of India

**Purpose** - To support in reviewing the RBI's regulations and compliance procedures to streamline/ rationalize them to make them more effective.

Also, RBI conducted the simultaneous purchase and sale of government securities (G-Sec) (Operation Twist) each worth Rs 10,000 crore under open market operations (OMOs) in May 2021.

### **RBI Revised the Guidelines for Private Banks to Undertake Govt Business**

Reserve Bank of India revised the existing guidelines on authorizing Scheduled Private Sector Banks as agency banks of RBI for conducting government (Central and/or State) business. According to the revised rules, scheduled private sector **banks should not under the RBI's Prompt Corrective Action (PCA)** framework to become the agency banks of RBI to conduct the Govt. business.

### **RBI Amended the Master Direction on KYC**

RBI Amended the Master Direction on know your customer (KYC) to further leverage the video-based customer identification process (V-CIP) and simplify the process of periodic updating of KYC. RBI has specified certain standards for REs which are opting to undertake V-CIP...[Click here for more detail..](#)

### **RBI Extended Restrictions on Millath Co-operative Bank**

Under Section 35A read with Section 56 of the Banking Regulation Act, 1949, the Reserve Bank of India (RBI), extended the restriction on Karnataka-based Millath Co-operative Bank, for 3 months i.e up to August 7, 2021.

### **Eroute Technologies Gets PPI Authorization From RBI**

Reserve Bank of India (RBI), in exercise of the powers conferred on it under the Payment and Settlement Systems Act, 2007, grants authorization to Eroute Technologies Private Limited with perpetual validity for issuance and operation of semi-closed Prepaid Payment Instruments (PPIs) in the country.

### **RBI Cancelled the License of United Co-operative Bank**

Reserve Bank of India (RBI) has cancelled the license of United Co-operative Bank Ltd., Bagnan, West Bengal in May 2021, as the bank does not have adequate capital and earning prospects to pay its present depositors in full. The bank also does not comply with the provisions of section 11(1) and section 22 (3) (d) read with section 56 of the Banking Regulation Act, 1949. Following the cancellation of the license, the bank is prohibited from conducting the 'banking' business (including acceptance of deposits and repayment of deposits) from May 13, 2021.

### **RBI Excluded LVB from the Second Schedule of the RBI Act**

Reserve Bank of India (RBI) has now excluded Lakshmi Vilas Bank Ltd. (LVB) from the Second Schedule of the RBI Act, 1934. LVB was merged with DBS Bank India Ltd (DBIL) in 2020.

### **RBI Mandated PPIs Interoperability by March 2022**

Under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007, RBI has mandated that all prepaid payment instruments (PPIs) or mobile wallets such as Paytm, PhonePe and Mobikwik that are fully KYC-compliant be made interoperable by March 31, 2022.

**RBI's Regulations over PPIs are :-** Mandating Interoperability by March 31, 2022, maximum amount outstanding in full-KYC PPIs has been increased from Rs 1 lakh to Rs 2 lakhs, and permitted cash

withdrawal from full-KYC PPIs issued by non-bank PPI issuers with a maximum limit of Rs 2,000 per transaction with an overall limit of Rs 10,000 per month per PPI.

### **Priyadarshini Mahila Nagari Sahakari Bank was Imposed Rs 1 lakh Penalty by RBI**

Maharashtra's Priyadarshini Mahila Nagari Sahakari Bank was imposed Rs 1 lakh penalty by the RBI for violation of certain directions under the Supervisory Action Framework.

The penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) and Section 56 of the Banking Regulation Act, 1949, taking into account the failure of the bank to adhere to the aforesaid directions issued by RBI.

### **RBI Board Approved Transfer of Rs 99,122 crore as Surplus to Govt**

RBI approved the transfer of Rs 99,122 crore as surplus to the Central government for the accounting period of 9 months from July 2020 to March 2021 under the 589<sup>th</sup> virtual meeting of the Central Board of Directors of the RBI under the chairmanship of RBI governor Shaktikanta Das. The board also decided to maintain the Contingency Risk Buffer at 5.50% in line with recommendations of the Bimal Jalan Committee report.

### **SEBI Doubled the Overall limit for Overseas Investment by AIFs, VCFs**

In consultation with the Reserve Bank of India, Securities and Exchange Board of India (SEBI) doubled the overall limit of the investment in overseas markets by alternative investment funds (AIFs), and Venture Capital Funds (VCFs) registered under SEBI (VCFs) Regulations, 1996, from \$750 million to \$1,500 million (~Rs10,000 crore).

### **RBI Imposed Monetary Penalty on City Union Bank Limited, Tamilnad Mercantile Bank**

Reserve Bank of India (RBI) has imposed a monetary penalty of Rs 1 crore on City Union Bank Limited and Tamilnadu Mercantile Bank for non-compliance with certain provisions of RBI such as – Lending to Micro, Small & Medium Enterprises (MSME) Sector Directions, 2017, the circulars on Educational Loan Scheme and Credit Flow to Agriculture Agricultural Loans Waiver of Margin/Security Requirements, and Cyber Security Framework for Banks.

### **RBI imposed penalty on Nutan Nagarik Sahakari Bank and Daimler Financial Services India Private Limited**

RBI imposed Rs 90 lakh penalty on Nutan Nagarik Sahakari Bank, Ahmedabad for non-compliance with directions of Interest Rate on Deposits, Know Your Customer (KYC). Rs 10 lakh penalty on Daimler Financial Services India Private Limited imposed by RBI for non-compliance with RBI Commercial Paper Directions 2017 and Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (RBI) Directions, 2016.

### **RBI Issued Guidelines for Amalgamation of District Central Co-op Banks with State Co-op Banks**

Reserve Bank of India (RBI) notified the guidelines for the

- ✓ Amalgamation of one or more District Central Co-operative Banks (**DCCBs**) in a State with State Co-operative Bank (**StCB**) or amalgamation of one DCCB with another.

RBI issued the guidelines as some of the State governments approached RBI for amalgamation of DCCBs with the StCB as a two-tier Short-term Co-operative Credit Structure (**STCCS**).

### **Highlights of RBI Annual Report 2020-21**

RBI released its Annual Report for 2020-21, a statutory report of its Central Board of Directors, which covers the working and functions of the RBI for the transition period of 9 months (July 2020 – March 2021). Due to the onset of the second wave of COVID-19, RBI has stated a raft of revisions to growth

projections of FY22 towards the RBI's earlier projection of 10.5 percent (26.2 percent in Q1, 8.3 percent in Q2, 5.4 percent in Q3 and 6.2 per cent in Q4)...[Click here for complete article..](#)

### RBI Imposed Rs 10 crore Penalty on HDFC Bank

On May 28, 2021, The Reserve Bank of India imposed a monetary penalty of **Rs 10 crore on HDFC Bank Limited** for contravention of provisions of section 6(2) and section 8 of the Banking Regulation Act, 1949 (the Act).

RBI imposed the penalty in the exercise of powers vested with the RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Act, after finding irregularities with the HDFC bank's auto loan portfolio.

## BANKING TECHNOLOGY

### CtrlS & Canara HSBC OBC Life Insurance joined hands to Provide Technology Solutions

**Strategic Technology Partnership** - CtrlS Datacenters, Asia's largest hyperscale rated-4 data center, and Canara HSBC Oriental Bank of Commerce Life Insurance

**Purpose** - to improve the Canara HSBC's adaptability over the technology infrastructure.

- ❖ As the Canara HSBC desired to upgrade its technology landscape, CtrlS plans to operate one of its data center facilities to support for its digital transformation.

## LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
Asian Development Bank (ADB)	India	\$3.92 billion	<b>Asian Development Bank (ADB)</b> headquartered at Manila, Philippines has committed \$3.92 billion in sovereign loans for 13 projects to India in 2020. It includes \$1.8 billion in projects to support the Government of India's coronavirus disease (COVID-19) pandemic response. Since the start of its lending operations in 1986, this was ADB's highest-ever annual lending commitment to India.

## AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
State Bank of India(SBI)	HyperVerge	<b>Tie up b/w</b> - State Bank of India(SBI) headquartered at Mumbai, Maharashtra & HyperVerge , AI company <b>Objective</b> – SBI made an agreement to obtain its technology called 'Video KYC solution' for onboarding customers online under COVID-19. Video KYC solution will be used by SBI to achieve the 10x improvement over the regular video KYC checks performed per day per agent.

## OTHER BANKING NEWS

### SIDBI Launched Two Quick Credit Delivery Schemes Against COVID-19

Small Industries Development Bank of India (**SIDBI**) launched the below two new quick credit delivery schemes and against the COVID-19 crisis to support MSMEs.

**SHWAS** - SIDBI assistance to Healthcare sector in War Against the Second wave of COVID-19

**AROG** - SIDBI Assistance to MSMEs for Recovery & Organic Growth during COVID-19 pandemic.

**Headquarters of SIDBI** – Lucknow, Uttarpradesh

### Mastercard and Gemini partners to launch a crypto rewards credit card

Mastercard and 'Gemini', a cryptocurrency exchange made partnership along with 'WebBank', a leading digital lender launches a first of its kind cryptocurrency rewards credit card.

- ❖ Here, WebBank will be the issuing bank for the Gemini Credit Card.
- ❖ Using this card, Clients will earn up to 3% in cryptocurrencies depending on their purchase.

### Airtel Payments Bank becomes first to enable ₹2 lakh of day-end balance account limit

**First payments bank in the country** - As per the Reserve Bank of India's (RBI's) guidelines, Airtel Payments Bank has increased the day-end account balance limit for customers from ₹ 1 lakh to ₹ 2 lakh and become the first payments bank in the country to do so. [Click here to Know more](#)

### ICICI Bank Joined hands with Decentro Tech

**Partnership b/w** - ICICI Bank and Decentro Tech Private Ltd, a full-stack Application Programming Interfaces (API) banking platform.

**Purpose** - To offer customized business banking APIs to fintechs, startups, and corporates and e-commerce companies.

ICICI Bank's seven business banking APIs from different categories, like deposits, payments, and collections were integrated by Decentro to provide a powerful kit to the end users.

- **Headquarters of ICICI** - Mumbai, Maharashtra

### Central Bank of India launched 'Immune India Deposit Scheme' to Boost COVID-19 vax Drive

The Central Bank of India launched the "Immune India Deposit Scheme" a special deposit scheme to provide an additional interest rate of 25 basis points in addition to the applicable card rate for the vaccinated people.

- ❖ The Immune India Deposit Scheme has a maturity of 1111 days.
- ❖ The senior citizens are also eligible for the extra interest as applicable.

### Neobank, Fi Partnered with Federal Bank to Open Instant Savings Account

Bengaluru-based Neobank Fi, has partnered with Federal Bank to issue an instant savings account, equipped with a debit card, in under 3 minutes for salaried millennials. [Click here to Know more](#)

### eNAM Selected Kotak Mahindra Bank as Digital Payments Partner

Kotak Mahindra Bank headquartered at Mumbai, Maharashtra was selected as a digital payments partner by the National Agriculture Market (eNAM) to facilitate online transactions for all stakeholders on the eNAM platform, including farmers, traders and farmer producer organisations (FPOs).

Kotak became one of the first banks to join eNAM, as an online payments and transactions partner.

### NABARD Provided Financial support of Rs.9162 crore to West Bengal in FY21

In FY21, National Bank for Agriculture and Rural Development (NABARD) gave financial support of **Rs 9,162 crore** to West Bengal (WB) for the development of agriculture and allied sectors under Covid-19.

- ❖ The theme for this year's State Focus Paper (2021-22) is '**Collectivization of Agricultural Produce for Enhancing Farmer's Income**'.
- ❖ NABARD State Focus Paper 2021-22 has estimated a credit potential of Rs.2.21 lakh crores to be disbursed by various banks for the priority sector activities of WB.

### SEBI Amended the Issue of Capital and Disclosure Requirements' Regulations

SEBI amended the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, called SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2021.

**Amended Under** - Section 30 of the Securities and Exchange Board of India(SEBI) Act, 1992 (15 of 1992),

**Aim of amendment** - To boost the listing of start-ups on Innovators Growth Platform which earlier named as Institutional Trading Platform (ITP) (formed in 2015).

### ADB launches a Hub to enhance International Tax Cooperation

Asian Development Bank (ADB) has launched the '**Asia Pacific Tax Hub**'.

**Purpose** - To boost International Tax Cooperation and also to create an open and inclusive platform for promoting strategic policy dialogue, improving knowledge sharing & strengthening coordination on tax policy and administration among ADB members and development partners.

### Federal Bank ties up with Mashreq Bank for money transfer

**Tie up b/w** - Federal Bank headquartered at Aluva, Kerala and Mashreq Bank headquartered at UAE, Dubai.

**Purpose** - To facilitate the transfer of money from the United Arab Emirates to India.

### Geojit Partners with PNB to provide 3-in-1 Account

**Tie up b/w** - Geojit Financial Services & Punjab National Bank (PNB).

**Purpose** - to provide the advantage of a three-in-one account(Savings Account, a Demat Account and a Trading Account) to the customers of PNB.

Geojit had a similar tie-up with Oriental Bank of Commerce which, along with UBI, has now merged into PNB.

### SEBI Issued Disclosure Norms for Top 1000 Listed Companies

**Under Section 11(1) of the (SEBI) Act, 1992** read with Regulation 101 of the Listing of Obligations and Disclosure Requirements (LODR), Securities and Exchange Board of India (SEBI) issued new disclosure norms over the Business Responsibility and Sustainability Report (**BRSR**), for the top 1,000 listed companies (by market capitalization) by FY23 .

### Central Govt. issues Sovereign Gold Bonds Scheme FY22

Government of India(GoI), in consultation with the Reserve Bank of India, has decided to issue Sovereign Gold Bonds for FY22. The Sovereign Gold Bonds will be issued in 6 tranches from May 2021 to September 2021. The Bonds will be sold through Scheduled Commercial banks (except Small Finance

Banks and Payment Banks), Stock Holding Corporation of India Limited (SHCIL), designated post offices.

### **Airtel Payments Bank Launched a Digital Platform for Gold Investment**

**Airtel Payments Bank and SafeGold**, a digital gold provider jointly launched a digital platform.

**Digital platform name** – DigiGold.

**Purpose** - Airtel Payments Bank's saving account customers are enabled to invest in 24K gold using the Airtel Thanks app. The gold purchased under the platform will be stored by SafeGold at no additional cost.

### **OneWeb partners with SoftBank to promote Satellite Communication Services**

**Tie up b/w** - OneWeb (a venture backed by Sunil Mittal) and SoftBank Group Corp headquartered at Tokyo, Japan.

**Purpose** - To promote satellite communication services in the Global and Japan markets through a combination of OneWeb's satellite services & SoftBank's Digital Transformation (DX) platform services.

### **IOB Got Shareholders' nod for Rs 4,100 crore Infusion by Govt**

Indian Overseas Bank (IOB) headquartered at Chennai, Tamil Nadu obtained approval from its shareholders through an Extraordinary General Meeting (EGM) for the issuance of 246,54,23,932 equity shares to the Government of India (GoI) on a preferential basis for a capital infusion of Rs 4,100 crores by GoI in the bank. After this, GoI's shareholding in IOB increased from 95.84 percent to 96.38 percent.

### **NABARD Provided Rural Infrastructure Development Fund to Assam in FY21**

National Bank for Agriculture and Rural Development (**NABARD**) headquartered at Mumbai, Maharashtra provided a record high amount of **Rs 1,236 crore** from its Rural Infrastructure Development Fund (RIDF) to the Rural Connectivity Projects (Roads & Bridges) in Assam for FY21.

### **Bank of Baroda launched Microsite to Support Employees amid COVID-19**

**Bank of Baroda Bank of Baroda** headquartered at Vadodara (earlier known as Baroda) in Gujarat recently launched a **Micro-website** that will serve as an emergency networking platform for all employees amid the second wave of COVID-19. It provides various data, like network of plasma donors to employees and recovered employees can also enrol themselves voluntarily as donors.

### **NABARD Provided Rs 1,236 crore from RIDF for Assam in FY21**

National Bank for Agriculture and Rural Development (**NABARD**) headquartered at Mumbai, Maharashtra provided a record high amount of Rs 1,236 crore from its Rural Infrastructure Development Fund (RIDF) of FY21, for the Rural Connectivity Projects (Roads & Bridges) in Assam.

### **Jana Small Finance Bank, launched a Feature to make banking to be simple and personalized**

Jana Small Finance Bank launched a feature called '**I choose my number**'.

**Purpose** – Allows bank customers to choose their favourite numbers as the **last 10 digits** of their bank account (savings/current) subject to the availability of the requested number.

### **SEBI Proposed Framework for Regulated Gold Exchange in India**

Securities and Exchange Board of India (SEBI) issued a Consultation Paper detailing the proposed framework for the Gold Exchange in India and the draft SEBI (Vault Managers) Regulations, 2021 for regulating the gold exchange-related business of the Vault Managers. The Gold Exchange instruments are termed as "Electronic Gold Receipt" (EGR).

### **Proposal for Changing Promoters to Person in Control, Rationalizing Promoters Group: SEBI**

Securities and Exchange Board of India (SEBI) reviewed the regulatory framework of the promoter, promoter group and group companies as per SEBI (Issue of Capital and Disclosure Requirements (ICDR)) Regulations, 2018 with certain proposals. SEBI's Proposals are The shifting of the concept of 'promoter' to 'person in control', Rationalization of the definition of 'Promoter Group', and Reduction in lock-in period for minimum Promoters' Contribution.

### **HSBC India launched first-of-its-kind Digital Banking Solution (DBS)**

**HSBC SmartServe and HSBC IntelliSign** are first-of-its-kind Digital Banking Solution (DBS) launched by HSBC India. It is to provide a quick, secure and seamless on-boarding process for its corporate customers. **HSBC India headquarters** - Mumbai, Maharashtra.

### **IDBI Bank Launches Digital LPS for MSME, Agri Borrowers**

**IDBI Bank Limited** announced the launch of its fully digitized, end-to-end, Loan Processing System (LPS) for its Micro, Small & Medium Enterprises (MSME) and Agri products. It also aims to provide a superior tech-enabled banking experience to the MSME and agri customers. **IDBI Bank Headquarters** - Mumbai, Maharashtra.

### **Kotak Mahindra Bank became 1st Bank to Issue FPI license to AIF under GIFT IFSC**

Kotak Mahindra Bank became the 1st bank to issue **Foreign Portfolio Investments (FPI) license** to an Alternate Investment Fund (AIF) incorporated in Gujarat International Finance Tec (GIFT) International Financial Services Centre (IFSC), after its issuance of FPI license on May 20, 2021, to the GIFT IFSC AIF of True Beacon Global. In partnership with Kotak Mahindra Bank, True Beacon launched its first AIF in GIFT-City with PricewaterhouseCoopers (PWC) as consultants. **Kotak Mahindra Bank's Headquarters** - Mumbai, Maharashtra.

### **TransUnion's Onboarding Solution Implemented By YES Bank**

Yes Bank digitizes onboarding of credit card customers by implementing TransUnion's Onboarding Solution. This solution will enable YES BANK to onboard its credit card customers seamlessly, efficiently, and quickly.

✓ **Headquarters of YES Bank** - Mumbai, Maharashtra.

### **PNB, PNB Housing Enters New Brand Agreement**

**Tie up b/w** - Punjab National Bank (PNB) HQs at New Delhi and PNB Housing Finance Limited (PNB Housing).

**Purpose** - This agreement is to provide PNB with the right to withdraw its brand name from PNB Housing. Currently, PNB is holding 33 percent in PNB Housing.

### **ICICI Bank's e-wallet Became the 1st to be Linked with UPI Network**

**'Pockets', an e-wallet of ICICI bank**, became the 1st one in the industry to link e-wallet with UPI Network. ICICI Bank has launched this facility of linking a Unified Payments Interface (UPI) with digital wallet along with the collaboration of National Payments Corporation of India (NPCI).

**ICICI Bank** - Industrial Credit and Investment Corporation of India Bank headquarters at Mumbai, Maharashtra.

### **HDFC To Raise Up To Rs 7,000 Cr By Issuing Bonds**

HDFC Bank has announced that it will raise up to Rs 7,000 crore by issuing bonds on private placement basis. The secured redeemable non-convertible debentures (NCDs) will be issued with the base size of Rs 5,000 crore with option to retain oversubscription of up to Rs 2,000 crore.

HDFC Bank Headquarters is at Mumbai, Maharashtra.

### Canara Bank Launched 3 Loan Schemes amidst COVID-19

Canara Bank launched 3 categories of loan schemes such as **Canara Chikitsa** healthcare credit facility, **Canara Jeevanrekha** healthcare business loan, and **Canara Suraksha** personal loan scheme, as a part of the fight against COVID-19 to individuals. **Headquarters of Canara Bank** - Bengaluru, Karnataka.

### UCO Bank Alloted Preferential Shares to Govt for Rs 2,600 crore Capital Infusion

UCO Bank **allotted 203,76,17,554 preferential shares (PS) (equity shares of Rs 10 each)** to the Government of India at an issue price of Rs 12.76 per share against a capital contribution of Rs 2,600 crore received by the Bank on March 31, 2021. The bank's board has approved a proposal to raise up to Rs 3,000 crore equity capital in 2021-22 through various means including preferential issue, follow on public offer or qualified institutional placement. **Headquarters of UCO Bank** - Kolkata, West Bengal.

## FINANCE NEWS

### SEBI Mandated AMCs to Pay 20% Salaries of Key Employees in Units of Mutual Funds

SEBI has mandated key employees of AMCs to pay 20 percent of their salary (including perks, bonus, non-cash compensation net of income tax and statutory contributions like Employees Provident Fund) in units of mutual fund schemes in which they have a role/oversight.

- ❖ Key employees of AMCs include - Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Chief Information Security Officer (CISO), etc.
- ❖ The regulations will be applicable from 1st July 2021 and they are only for AMCs, not on the agents, banks, and insurance companies.

### SEBI Imposed Fine of Rs 1.75 Cr on Several Entities in Vakrangee Case

A fine of Rs 1.75 crore was imposed by Market's regulator Securities Exchange Board of India (**SEBI**) on several entities for indulging in fraudulent trading in the scrip of Vakrangee Ltd.

- ❖ In one of the two orders a fine of Rs 50 lakh each was imposed on a group of 22 connected entities and on a group of 16 entities.
- ❖ And in another order a fine of Rs.75 lakh was imposed on the connected group of 27 entities.

### LIC Became 10th Most valuable & 3rd Strongest Insurance Brand Globally

Life Insurance Corporation (LIC) as the 3rd strongest and the 10th most valuable insurance brand globally.

**Report name** - "Insurance 100 2021", the most valuable and strongest insurance brands.

**Released by** - Brand Finance, a London-based brand valuation consultancy firm.

Ping An Insurance in China became first followed by China Life Insurance in China and Allianz in Germany.

### IRDAI Introduced Standard Travel Insurance with Guidelines

The Insurance Regulatory and Development Authority of India (IRDAI), has issued guidelines on Bharat Yatra Suraksha, the Standard Domestic Travel Insurance Product (SDTIP) of India. The standard product consists of five different plans under the standard travel insurance product and the coverage is both benefit and indemnity-based.

### Axis Mutual Fund Launched Axis Global Innovation Fund of Fund

Axis Mutual Fund launched a mutual fund scheme called **Axis Global Innovation Fund of Fund** to provide opportunity for investors to invest in Schroder International Selection Fund (SISF) Global Disruption. This is AMC's fourth international fund.

- ❖ SISF Global Disruption is an equity fund that aims to provide long term capital growth by investing in worldwide companies that benefit from disruption.
- ❖ It is an open-ended fund of fund scheme that will invest in SISF Global Disruption to provide capital growth.

### SAIL Enters 100 Most-Valued Indian Firms List

With Rs.55,500 crore market capitalisation (m-cap), **Steel Authority of India Limited (SAIL)** enters 100 most-valued Indian firms' club.

- ❖ SAIL regained market capitalisation (m-cap) of Rs.50,000 crore, after its stock of SAIL increased to a nine year high of Rs 135.60 on the BSE.
- ❖ According to BSE data,SAIL stood at 78th position in the overall m-cap ranking with a market cap of Rs 55,529 crore.

### EPFO can Invest up to 5% in AIFs

Employees Provident Fund Organization(**EPFO**) had made changes in investment pattern by allowing to make an investment of up to 5 % of its investible surplus in Alternative Investment Funds (**AIFs**).

**Notified by** - Labour Ministry

This change occurred after the Government's recent modification over the investment pattern of Non-Government Provident Funds, Superannuation Funds, and Gratuity Funds to invest in AIFs.

**Target** – This is to help 100,000 Indian startups and over 100 unicorns become global giants by 2025.

### Bajaj Finserv launched public awareness campaign on financial fraud risks

**Campaign name** - 'Savdhan Rahein, Safe Rahein'

**Launched by** - Bajaj Finserv Limited headquartered at Pune, Maharashtra , a part of Bajaj Holdings & Investments.

**Aim of Campaign** - a public awareness campaign on financial fraud risks to educate how to stay protected across digital and social media platforms. The campaign has a catchy jingle 'Na Ji Na Ji' with an endearing character named 'Gupta Ji'.

### Muthoot Finance tie-up with NIRA to Provide Personal Loans

**Tie up b/w** - Muthoot Finance Limited and NIRA, a Bangalore-based fintech start-up

**Purpose** - To strengthen the digital footprint and enhance the personal loans growth.

NIRA fintech is offering small ticket personal loans to salaried customers of India's middle class. They offer loans to the low-income salaried class starting with an income of Rs 12,000 per month onwards.

### Google Pay launches International Money Transfers for US users

Google Pay has launched International Money Transfers for its United States (US) users, it has launched the initiative in partnership with remittance firms – Wise, and Western Union Co. Using this feature, Google Pay users in the US can transfer money to Google Pay users in India & Singapore.

### PayPal Introduced Digital FIRA

PayPal, the Digital payments provider, introduced an automated process to receive monthly Foreign Inward Remittance Advice (FIRA), allowing Indian merchants to download their monthly digital FIRA

issued by banks. It is a document that acts as proof for all inward remittances and payments received from abroad. This step is a part of PayPal's mission to reach net zero emissions by 2040.

### **SEBI Amended AIFs, Added Start-up Definition**

Securities and Exchange Board of India (SEBI) has amended the Alternative Investment Funds (AIF) norms called SEBI (AIFs) (Second Amendment) Regulations, 2021 on May 2021 to add – definition of Start-up for the investment by Angel Funds and regulations over the AIFs. To strengthen the corporate governance practices and disclosure requirements, SEBI has also mandated the top 1,000 listed firms to formulate a dividend distribution policy (DDP)...[Click here for full article..](#)

### **Rs 455 Cr Raised by SBI Cards by Issuing Bonds**

Rs 455 crore has been raised by SBI Cards and Payment Services (SBI Card) by issuing bonds. These bonds will offer coupons at 5.70 percent per annum which will mature on May 10, 2024. 4,550 unsecured Non-Convertible Debentures (NCD'S) that have a fixed-rate and are taxable and redeemable has been allocated by SBI cards.

### **IDRBT Building Next Generation Digital Financial Infrastructure, NADI**

Institute for Development and Research in Banking Technology (IDRBT), an arm of the Reserve Bank of India, is building a next-generation Digital Financial Infrastructure named National Digital Financial Infrastructure (NADI). NADI will be owned by the Government of India, with NADI's high-speed network, the government could monitor and control all financial activity, and it will also make security easier.

### **PayPoint India & Digit General Insurance joined hands for Health Insurance to Rural Areas**

**Tie up b/w** - PayPoint India & Digit General Insurance, Karnataka.

**Purpose** - To provide affordable COVID-19 Health Insurance policy to its customers in India's underserved regions to improve the insurance access and assist the rural people in recovering themselves from financial losses due to the COVID-19.

### **Edelweiss General Insurance Launched Digital Partner Onboarding Solution – IPOS**

Edelweiss General Insurance (EGI), an InsurTech start-up has launched, Integrated Partner Onboarding Solution (IPOS) an industry-first digital end to end partner onboarding solution. IPOS is an onboarding solution for all its existing and prospective partners including Agents, Brokers and Web Aggregators.

### **India became the 2nd Largest Insurtech Market in Asia Pacific Region**

S&P Global Market Intelligence reported India as the 2nd largest insurance-technology (insurtech) market in Asia-Pacific (AP) region after China, as it accounts for 35 percent/\$1.28 billion of the total venture capitals (\$3.66 billion) poured into the insurtech sector in the AP region so far.

### **Report on SSE by SEBI's TG: Not Allowed Political, religious firms for SSE**

A technical group (TG) under the chairmanship of Harsh Bhanwala on Social Stock Exchanges (SSEs), constituted by the Securities and Exchange Board of India (SEBI), has recommended not to allow the political and religious organizations, trade organizations, corporate foundations, infrastructure and housing companies (except affordable housing) to raise funds using SSE mechanism.

### Alankit tie-up with Digital Swiss Gold – to Offer Gold Platform Investment

**Tie up b/w** - Alankit Imaginations Ltd, New Delhi and Digital Swiss Gold (DSG), an innovative digital platform to buy and hold physical gold digitally in Switzerland

**Objective** - Under the partnership, investors could buy Swiss Gold digitally after becoming a Digital Swiss Gold member by creating an account on an app and completing the KYC process. DSG will offer competitive and transparent pricing, which will save up to 10 percent compared to published Indian gold prices.

### Aditya Birla Sun Life Launched a new Savings Plan

Aditya Birla Sun Life Insurance (**ABSLI**), the life insurance company launched a flexible savings plan to provide guaranteed regular income along with flexible bonus payouts to policyholders.

**Saving plan name** - 'Vision LifeIncome Plus Plan'.

**It is a non-linked participating** individual plan that is designed as a customizable savings plan and suitable for the customer's financial needs at all stages of life.

### SEBI Imposed Rs 5.25 crore Fine on Cairn India

Securities and Exchange Board of India (SEBI) has imposed a penalty of Rs 5.25 crore on Cairn India for making a misleading announcement regarding the buyback of shares on January 14, 2014.

SEBI has also imposed fine of Rs 15 lakh each on P Elango (CEO and director of Cairn), Aman Mehta (director of Cairn's board), and Neerja Sharma (director risk assurance and secretary of Cairn).

### ESFBL became the 1st SFB to Offer Online Account Opening for NRIs

Equitas Small Finance Bank Ltd (ESFBL) became the first Small Finance Bank (SFB) to offer the online process of account opening for Non-Resident Indians (NRIs). It also became the first SFB to have Virtual Relationship Managers (VRM) based on time zones. It aimed to increase the opportunities for ESFBL's NRI account holders to manage their investments, deposits and the income earned in India. Headquarters of ESFBL is Chennai, Tamil Nadu.

### MRHFL, IPPB tie-up for Cash Management Solution

**Tie up b/w** - Mahindra Rural Housing Finance Limited (MRHFL), a subsidiary of Mahindra and Mahindra Financial Ltd, and India Post Payments Bank (IPPB) headquartered at New Delhi.

**Objective** - Under the partnership, IPPB will be offering cash management and collection services to MRHFL through its access points and postal service providers.

### Biocon & Its Ex-Official was Fined Rs.14 Lakh by SEBI

Securities and Exchange Board of India (SEBI) imposed a total fine of Rs.14 lakh on Biopharmaceutical company Biocon and its former Senior Vice President (R&D) Narendra Chirmule for violation of market norms.

### NPCI Onboards PayCore to Develop SoftPoS Solutions for RuPay

National Payments Corporation of India (NPCI), has onboarded **PayCore**, Turkey's global payment solutions company as one of the certified partners for '**RuPay SoftPOS**' to drive cashless payments across the country. Along with PayCore, NPCI aims to reduce the investment cost required by banks to reach over the MSMEs and intends to increase the spread of 'RuPay SoftPOS' across India with its network of banks.

### Flexiloans Ties With Up Vivriti Capital To Provide Loans To MSMEs

Fintech lender FlexiLoans.com has partnered with financial services company Vivriti Capital to provide working capital financing to micro, small and medium enterprises (MSMEs) by disbursing loans worth Rs 300 crore.

### PayNearby, Centrum Microcredit tie-up to support Retailers

PayNearby, branchless banking and digital payments network, tie-up with Centrum Microcredit, wholly-owned subsidiary of The Centrum Group to offer unsecured Small Medium Business (SMB) loans to its retailers.

**Aim** - To strengthen the business growth of PayNearby's retailers under COVID-19 by providing credit facilities to them at affordable interest rates.

### IMF Plans to Include Climate, Digital tech into Economic Assessments

International Monetary Fund(IMF) plans to update the way it conducts economic assessments to report the risks related to climate change, inequality and demographics, as well as evolving digital technologies.

The new approach was agreed upon by the IMF's executive board after the IMF's first comprehensive review of its surveillance work since 2014.

### ZebPay Launched India's First Crypto Based Lending Platform

**ZebPay launched India's 1st lending platform** under the cryptocurrency exchange for the investors to invest their coins and earn returns (interest). Currently the exchange will support the bitcoin (BTC), ether (ETH), tether (USDT) and dai (DAI) tokens.

## 2021 Banking & Finance - June

### RBI IN NEWS

#### RBI Cancelled Licence Of Pune-Based Shivajirao Bhosale Sahakari Bank

Reserve Bank of India (RBI) has cancelled the licence of **Pune-based Shivajirao Bhosale Sahakari Bank** as the bank does not have adequate capital and earning prospects. And also, the bank does not comply with the certain provisions of the Banking Regulation Act, 1949.

#### RBI Announced FPIs Investment Limits in G-secs, SDLs for FY22 at 6%, 2%

Under **sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999)**, the RBI had fixed the limits for Foreign Portfolio Investors' (FPI) investment in Government securities (G-secs) and State Development Loans (SDLs) unchanged at 6% and 2% respectively, of outstanding stocks of securities for FY22.

#### Highlights of the Second Bi-Monthly Monetary Policy of FY22

Reserve Bank of India's (RBI) 6-members Monetary Policy Committee (MPC) had met on 2nd, 3rd and 4th June 2021 and released its second bi-monthly monetary policy statement for FY22 (April 2021 - March 2022).

Category	Rate
<b>Policy Rates</b>	
Policy Repo Rate	4.00%
Reverse Repo Rate	3.35%
Marginal Standing Facility (MSF) Rate	4.25%
Bank Rate	4.25%
<b>Reserve Ratios</b>	
Cash Reserve Ratio (CRR)	4.00%
Statutory Liquidity Ratio (SLR)	18.00%

### **RBI Extended the Banking License of Rupee Co-Operative Bank till August 31, 2021**

Reserve Bank of India has extended the **banking license of the Rupee Co-operative Bank, Pune, Maharashtra** till August 31, 2021. During the last 5 years, the Bank has made a total recovery of Rs 263.93 crores and an aggregate operating profit of Rs 70.70 crores till March-2021. The Bank had paid Rs 366.54 Crores to 92602 needy depositors under the Hardship Scheme till March-2021.

### **RBI Imposed Penalty of Rs.4 Crore on BOI, Rs.2 Crore on PNB**

Reserve Bank of India(RBI) has imposed a monetary penalty of **Rs.4 crore on Bank of India(BOI) and of Rs.2 crore on Punjab National Bank(PNB)**. The monetary penalty on BOI was imposed for non-compliance with and contravention of directions, viz., breach of stipulated transaction limits, delay in transfer of unclaimed balances to DEA Fund, delay in reporting a fraud to RBI and sale of a fraudulent asset.

### **RBI's New Rules over ATM: Hike in Interchange Fee, Customer Charge**

As per the recommendations of the Committee on automated teller machines (ATM) Pricing headed by VG Kannan, under **Section 10(2)** read with Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007), the Reserve Bank of India (RBI) has made certain modifications over the ATM interchange fee, Free transaction limit and Customer charges.

### **RBI Extended RBIA System to Select HFCs**

Reserve Bank of India extended the **Risk-Based Internal Audit (RBIA)** system for all deposit-taking Housing Finance Companies (HFCs), irrespective of their size, and for non-deposit taking HFCs with asset size of Rs 5,000 crore and above to enhance the quality and effectiveness of their internal audit system.

### **RBI Issued Norms for FATF Non-Compliant Jurisdictions' Investment in PSOs; Released Consultative Document on Regulation of Microfinance**

- ✓ Under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007, the Reserve Bank of India (RBI) issued regulations for investments in Payment Systems Operators (**PSOs**) by new entities from Financial Action Task Force (**FATF**) Non-compliant Jurisdictions (Countries).
- ✓ RBI has released the Consultative Document on Regulation of Microfinance for feedback from all stakeholders. It intends to address the over-indebtedness of microfinance borrowers and enable a market mechanism to bring down interest rates by empowering the borrowers to make an informed decision.

### **RBI Permitted 'Mobile Prepaid Recharges' under BBPS; Expanded its Scope**

Under Section 10 (2) read with Section 18 of the Payment and Settlement Systems Act, 2007 (**Act 51 of 2007**), the Reserve Bank of India (RBI) has expanded the scope of the **Bharat Bill Payment System (BBPS)** by permitting the addition of 'mobile prepaid recharges' as an additional biller category in BBPS on a voluntary basis.

- ✓ Currently it has covered recurring bills only in 5 segments viz. Direct to Home (DTH), Electricity, Gas, Telecom and Water.

### **Merging of DHFL, PCHFL: RBI Changed DHFL's Deposit-Taking Status**

RBI revoked the deposit-taking status of Dewan Housing Finance Limited (DHFL) and reclassified it as a non-deposit taking housing finance company (HFC), before approving the Piramal group 's bid to take over it towards the end of the resolution process. DHL became the 1st financial services firm to go for bankruptcy proceedings.

### **RBI Granted Approval to CFSL for Taking Over PMC Bank via SFB Route**

Reserve Bank of India granted in-principle approval to Centrum Financial Services Limited (CFSL), a subsidiary of Centrum Capital Limited (CCL) to set up a small finance bank (SFB) under general

“Guidelines for ‘on tap’ Licensing of Small Finance Banks in the Private Sector” dated December 5, 2019. Through this SFB, Centrum will take over crisis-hit Punjab and Maharashtra Cooperative Bank (PMC) as a separate process.

### India Ranked 2<sup>nd</sup> in Central bank’s surplus transfers’ share: RBI Report

As per the ‘**State of Economy**’ report by the Reserve Bank of India in June 2021, **India ranked 2<sup>nd</sup> after Turkey** in terms of the shares of ‘Surplus Transferred from Central Banks to Governments’ (as per percent of GDP). RBI has transferred 0.44 percent of GDP to the Government in FY21, in FY20 it was at the 4<sup>th</sup> position with 0.29 percent. RBI reported the surplus transfer of different countries based on World Economic Outlook (WEO) and Central Bank Annual Reports.

### RBI imposes ₹23 lakh fine on 3 cooperative banks

RBI imposed penalties of **₹23 lakh** on three cooperative banks, including for contravention of various norms.

A penalty of ₹12 lakh has been imposed on Mumbai based Mogaveera Co-operative Bank Limited, ₹10 lakh on Pune Indapur Urban Cooperative Bank, and ₹1 lakh on The Baramati Sahakari Bank Limited.

### RBI Issued Norms for Dividend Distribution by NBFCs

**Reserve Bank of India (RBI)** linked the declaration of dividend by **Non-Banking Finance Companies (NBFCs)** to their minimum prudential norms on Capital to **Risk-Weighted Assets Ratio (CRAR)** and Non-Performing Assets (NPAs).

- ✓ In order to infuse greater transparency and uniformity in the payout practice, RBI has issued guidelines on the distribution of dividend by NBFCs to be effective from the profits of FY22 and onwards.

### RBI Launched FY21 Round of Survey on ITES exports, Foreign Liabilities

Reserve Bank of India launched the FY21 round of its annual Survey on ‘**Computer Software and Information Technology Enabled Services (ITES) Exports**’. Reserve Bank of India (RBI) launched the FY21 round of its annual Survey on ‘**Computer Software and Information Technology Enabled Services (ITES) Exports**’. The ministry also launched the report on Climate Smart Cities Assessment Framework (CSCAF) 2.0 that evaluated the current performance of cities across five thematic areas in which 126 cities participated.

### RBI Penalises 3 Maharashtra-Based Co-Operative Banks

**Reserve Bank of India (RBI)** imposed a total penalty of Rs.8 lakh on 3 Maharashtra-based co-operative banks for contravention of directions issued by RBI over ‘**Maintenance of Deposit Accounts**’ and ‘**Know Your Customer (KYC)**’.

A penalty of Rs 4 lakh was imposed on Excellent Co-operative Bank, Mumbai – and Rs 2 lakh penalty each on Janseva Sahakari Bank Limited, Pune and The Ajara Urban Co-operative Bank, Ajara.

### RBI Extended Restrictions on PMC Bank till December 2021

Reserve Bank of India has extended the regulatory restrictions on **Punjab and Maharashtra Cooperative (PMC) Bank** by another six months till December 2021 to enable the completion of its takeover by Centrum Financial Services. Earlier Centrum Financial Services has got ‘**in-principle**’ **approval** to set up a small finance bank to pave way for the takeover of PMC bank.

## BANKING TECHNOLOGY

### IndusInd Bank Launched IndusEasyCredit, a Digital Lending Platform

IndusInd Bank launched the “**IndusEasyCredit**”, a comprehensive digital lending platform to enable the customers to meet their financial needs from their home.

- ✓ **IndusEasyCredit** is a first of its kind platform which will offer a digital end to end process by utilising Indiastack, the public digital infrastructure of India, to offer personal loans and credit cards in a paperless, presence-less and cashless manner.

## LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
Asian Development Bank (ADB)	Government of India	\$2.5 million (~Rs 18.28 crore)	Asian Development Bank (ADB) and the Government of India has signed a \$2.5 million (~Rs 18.28 crore) project readiness financing (PRF) loan to support preparation and design activities to upgrade major district roads in Sikkim. <b>Headquarters of Asian Development Bank</b> is Manila, Philippines.
Public sector banks	Street Vendors	95 percent of the total loans	Public sector banks have sanctioned 95 percent of the total loans under PM SVANidhi scheme to Street Vendors. PSU Banks have sanctioned 23,16,207 loans under this scheme as on 31st May 2021. Under the scheme, collateral-free working capital loan of up to Rs 10,000 of one-year tenure is being provided. The scheme aims at financing approximately 50 lakh street vendors. Indian Govt. launched the PM Street Vendors' Atma Nirbhar Nidhi (PM SVANidhi) scheme on June 1, 2020.
State Bank of India (SBI)	Noida International Airport (NIA)	Rs.3725 crore	<b>State Bank of India (SBI) has sanctioned a loan of Rs.3725 crore</b> with a tenure of 20 years for the development of Noida International Airport (NIA) which is being developed by Yamuna International Airport (YIAPL). Zurich Airport International AG (ZAIA) which is the main shareholder of YIAPL, is providing Rs.2005 crore into development of NIA. ✓ NIA will be the second airport in the National Capital Region (NCR). <b>Headquarters of SBI Bank</b> is Mumbai, Maharashtra.
World Bank	Andhra Pradesh	Rs 1,860 crore	International Bank for Reconstruction and Development (IBRD), the lending arm of World Bank Group, had sanctioned a fund of Rs 1,860 crore to Andhra Pradesh for supporting the implementation of the ' <b>Supporting Andhra's Learning Transformation</b> ' (SALT) programme. <b>Purpose</b> - To transform the state's government schools into a vibrant and competitive one by improving their quality of teaching practices, learning outcomes, and school management in basic education.

## AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
ICICI Lombard	Microsoft	<b>Purpose</b> - To strengthen and automate the quality control processes. Everyday service calls made by customer support reps will be screened by ICICI Lombard with the help of Microsoft's Azure Speech Providers and Pure Language Processing (NLP).
HDFC Bank	Karnataka Industrial Area Development Board (KIADB)	KIADB made 3 years business deal with HDFC Bank to provide a wide range of financial products and services to its customers. As per the MoU, KIADB nominates HDFC Bank as one of its banking partners to finance its eligible customers/allottees of industrial land/plot for setting up their project.
Union Bank of India	National Small Industries Corporation Ltd (NSIC)	<b>Purpose</b> -Both entities signed under ' <b>NSIC Bank Credit Facilitation Scheme</b> ' to support Micro, Small & Medium Enterprises (MSMEs) with credit requirements.Under this scheme, NSIC is entering into MoUs with various Nationalized and Private Sector Banks and arrange credit support (fund or non-fund-based limits) from banks to meet the credit requirements of MSME units.
IDFC FIRST Bank	SBI General Insurance	<b>Purpose</b> – Corporate agency agreement made for selling its non-life insurance products.Through this agreement SBI general insurance will access the IDFC first bank's larger customer base resulting in wider penetration of its insurance products through the latter's digital first approach.

## OTHER BANKING NEWS

### PSBs to Lend Up to Rs 5 Lakh to Individuals for Covid-19 Treatment

Indian Banks' Association(IBA) and State Bank of India(SBI) announced that all Public Sector Banks (PSBs) will provide unsecured personal loans between Rs 25,000 to Rs 5 lakh to salaried, non-salaried and pensioners for COVID-19 treatment cost (to them and their family members).

- ✓ The repayment tenure of those loans will be 5 years and SBI would charge interest of 8.5 percent per annum and other banks are made free to decide their interest rate.
- ✓ **Headquarters of Indian Banks' Association (IBA) & State Bank of India(SBI) - Mumbai, Maharashtra.**

### ICICI Bank offers 'SWIFT gpi Instant' Facility

With the partnership of SWIFT, ICICI (Industrial Credit and Investment Corporation of India) Bank became the 1st bank in Asia-Pacific and the 2nd globally to offer the facility called 'SWIFT gpi instant', the facility for cross border inward payments.

- ✓ **SWIFT** - Society for Worldwide Interbank Financial Telecommunication Global Payments Innovation.
- ✓ **Headquarters of ICICI Bank - Mumbai, Maharashtra.**

### Edelweiss Strengthens Co-Lending Partnership With Central Bank of India

**Tie up b/w** - Edelweiss Retail Finance Ltd (ERFL) & Central Bank of India.

The two entities partnered to strengthening of its co-lending partnership for priority sector lending to Micro, Small And Medium Enterprises (MSMEs). The limit for collateral free business loans for MSMEs has been increased to Rs 50 lakh from Rs 10 lakh.

### NR Saving Accounts For Seafarers Launched By Federal Bank

Federal Bank has launched an exclusive NR(Non Resident) savings account scheme for the seafarer segment. This exclusive scheme is to help mariners in executing banking transactions irrespective of the geo-coordinates and time zone differences with the help of state-of-the-art digital banking platform.

- ✓ **Headquarters of Federal Bank** is Aluva, Kerala.

### NABARD Approves Rs 254 Crore For Drinking Water Projects In Odisha

National Bank for Agriculture and Rural Development (NABARD) has sanctioned a Rural Infrastructure Development Fund (RIDF) of Rs 254 crore for setting up two mega piped drinking water supply projects at Jajpur district and Puri district of Odisha.

- ✓ **NABARD established** in 1982 and its headquarters in Mumbai, Maharashtra.

### SEBI, Luxembourg CSSF joins to strengthen cooperation in securities regulation

MoU b/w - Securities and Exchange Board of India (SEBI) and the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) signed a bilateral Memorandum of Understanding.

**Objective** -Agreement based on mutual co-operation and technical assistance to strengthen cross border cooperation in the area of securities regulation.

- ✓ **SEBI established** in 1992 and its headquarters in Mumbai, Maharashtra.

### HDFC Bank to Become Carbon Neutral by 2031-32

HDFC Bank has planned to become carbon neutral by 2031-32. Bank is now looking to reduce its emissions, energy, and water consumption. The bank is working on a framework of issuing green bonds.

### HSBC to Exit Retail & Small Business Banking Market in the US

HSBC has announced that it is withdrawing from the retail and small business banking market in the United States (US) as a part of its strategy to refocus on corporate and investment banking in Asia. HSBC is set to sell 90 out of 140 US branches to Citizens Bank and Cathay General Bancorp.

### Central Bank of India Allotted 280 crore Preferential Shares to Govt

**Central Bank of India's (CBI)** board has allotted over 280,53,76,972 equity shares at the issue price of Rs 17.11 per share to the government(govt) on preferential basis for Rs 4,800 crore capital infusion in the bank. After this allotment, the govt's shareholding has increased from 89.78 percent to 93.08 percent.

- ✓ **Headquarters of Central Bank of India's (CBI)** is Mumbai, Maharashtra.

### Paytm Payments Bank to Issue Physical Visa Debit Cards

After successfully providing VISA Virtual Debit Cards to more than 4.5 million customers, Paytm Payments Bank Ltd (PPBL) has announced issuing of physical debit cards by Visa.

It is now targeting to issue over 1 million physical debit cards by end of FY21. These physical debit cards will allow customers to use over 5 million Visa acceptance points with features such as international payments and 'tap-and-pay' transaction.

### World Bank Approved a \$500 million program to support India's MSMEs

**World Bank's Board of Executive Directors** has approved a \$500 million program named 'Raising and Accelerating Micro, Small and Medium Enterprise (MSME) Performance' (**RAMP**), to support the Government of India's nationwide initiative to strengthen the MSME sector, which has been heavily impacted due to COVID-19.

- ✓ The \$500 million loans will be provided from **the International Bank for Reconstruction and Development (IBRD), an arm of the world bank group**, has a maturity of 18.5 years including a 5.5-year grace period.
- ✓ **Headquarters of World Bank** is Washington D.C, USA.

### Central Bank of India Inks Co-Lending Pacts with Indiabulls Housing, IIFL HFL to Offer Home Loans

Central Bank of India announced co-lending partnerships with Non-Banking Finance Companies (NBFCs), Indiabulls Housing Finance Limited (Indiabulls HFL) and IIFL Home Finance Limited (IIFL HFL) to offer housing loans under priority sector to homebuyers. Central Bank of India will take 80 percent of the housing loan into its book under direct assignment transactions.

- ✓ **Headquarters of Central Bank of India** is Mumbai, Maharashtra.

### Indian Bank Partnered with Fisdom to Offer Wealth Management Solutions

Indian Bank, the 7<sup>th</sup> largest public sector bank, partnered with Fisdom, a digital wealth management company to offer its customers comprehensive wealth management products and services.

- ✓ **Headquarters of Indian Bank** is Chennai, Tamil Nadu

### Federal Bank Expands its Collaboration with Oracle and Infosys

Federal Bank expanded its **collaboration with Oracle and Infosys** to provide improved customer experience through the Oracle CX (Customer Experience) platform. **An integrated Customer Relationship Management (CRM) solution** across marketing, sales, customer service, and social listening will be created to improve Federal Bank's operations and to deliver customer experiences across touchpoints.

- ✓ **Headquarters of Federal Bank** is Aluva, Kerala

### NITI Aayog Recommended Privatization of Central Bank & Indian Overseas Bank

Government think-tank NITI Aayog has recommended the names of Central Bank of India and Indian Overseas Bank (IOB) for privatization in the current fiscal (2021-22), as part of the disinvestment process announced in the Union Budget 2021-22.

- ✓ According to the Budget 2021-22, two public sector banks (PSBs) and one general insurance company in 2021-22 will be privatised, as per the new PSE (Public Sector Enterprise) policy for 'Atma Nirbhar Bharat'.

### SBI Launched 'Kavach Personal Loan' – Scheme for COVID-19 Treatment

**State Bank of India (SBI)** has introduced a collateral-free offering scheme called '**Kavach Personal Loan**' to provide financial assistance to its customers to manage the COVID-19 treatment-related expenses.

- ✓ Under the term loan, the customers could avail collateral-free personal loan ranging from Rs 25,000 to Rs 5 lakh at an interest rate of 8.5 percent per annum for 60 months which is inclusive of 3 months moratorium.

### Bank of Maharashtra Tops PSU Banks in Terms of Loan, Deposit Growth in FY21

As per the data published by the **Bank of Maharashtra (BoM)**, it emerged as the top performer among Public Sector Undertaking (PSU) banks in terms of loan and deposit growth in FY21.

- ✓ BoM recorded a 13.45 percent increase in gross advances at Rs 1.07 lakh crore in FY21.
- ✓ Followed by BoM, Punjab & Sind Bank posted 8.39 percent growth in advances with aggregate loans at Rs 67,811 crore in FY21.

### SEBI Barred Franklin Templeton AMC and Vivek Kudva From Markets

The market regulator **SEBI (Securities and Exchange Board of India)** barred Franklin Templeton Asset Management Company from launching certain debt schemes for two years and fined Rs.5 crore for violating regulatory norms and asked it to pay Rs 517 crore to wind up six debt schemes.

- ✓ Also, Vivek Kudva, former head of Asia Pacific (APAC) for Franklin Templeton, and his wife Roopa were also banned from the securities market for one year and were imposed a penalty of Rs.7 crore for redeeming units of Franklin Templeton MF schemes while in possession of non-public information.

### BSE set up Entity 'BASL' to Administer, Supervise Activities of SEBI-RIA

**Bombay Stock Exchange (BSE)**, Asia's 1st & the world's fastest Stock Exchange, has set up its wholly-owned subsidiary company named – 'BSE Administration & Supervision Ltd (**BASL**)' for carrying out the administration and supervision activities of all SEBI (Securities and Exchange Board of India)-Registered Investment Advisors (**RIA**).

### **Ambuja Cement Foundation Joins with NABARD to Skill Rural Youth**

**MoU b/w** - Ambuja Cement Foundation (ACF), Corporate Social Responsibility (CSR) arm of Ambuja Cements Ltd and National Bank for Agriculture and Rural Development (NABARD)

**Purpose** - This agreement signed for the implementation of its 'Employability through Skill Initiative Project (ESIP) Phase II. Also, to empower youth with practical skill development training and empower them for a better future.

- ✓ **Headquarters of NABARD** - Mumbai, Maharashtra.

### **Indian Bank and Practo Joined for Employees' Wellness Package**

Indian Bank, joined with Practo, healthcare company, to provide Practo's corporate health and wellness plans to the bank's employees (existing and former) and their family members during the COVID-19.

### **ICICI Bank Launched Digital Banking Solution for Corporates - 'ICICI STACK'**

ICICI (Industrial Credit and Investment Corporation of India) Bank launched a first-of-its-kind initiative, a comprehensive set of digital banking solutions named - **ICICI STACK** for corporates and their entire ecosystem including promoters, group companies, employees, dealers, vendors and all other stakeholders.

- ✓ Under ICICI STACK, the companies are provided with customized digital banking services in over 15 sectors such as financial services, IT/ITES, pharmaceuticals, steel and their entire ecosystem.

### **Axis Bank Enabled Whatsapp Business Solution by Partnering With Karix Mobile**

In partnership with **Karix Mobile (a wholly owned subsidiary of Tanla Platforms)**, Axis Bank makes banking conversational by enabling secure communication over WhatsApp. It includes full scale integration of banking products across Savings Account, Credit Cards, Deposits and loans.

- ✓ It helps to accelerate customer engagement and turn-around time with a personalized experience, while ensuring complete data security and privacy.

### **GoI Inked with ADB for CKIC Project in TN**

Government of India (GoI) virtually signed a \$484 million (Rs 3,616 cr) loan agreement with the **Asian Development Bank** to improve transport connectivity and facilitate industrial development in the Chennai-Kanyakumari Industrial Corridor (CKIC) in Tamil Nadu (TN).

### **Google Pay Expanded Cards Tokenisation with SBI, IndusInd, HSBC, Federal Bank**

Google Pay, a digital payments platform has expanded its network of bank partners offering card tokenisation on the Google Pay app by adding lenders such as State Bank of India (SBI), IndusInd Bank, Federal Bank, and HSBC India. Earlier Google Pay has rolled out card tokenisation with Kotak Mahindra Bank, SBI Cards and Axis Bank.

- ✓ Tokenisation is the feature that enables users to make debit or credit card payments through a secure digital token without having to physically share their credit or debit card details (especially card numbers).

### **PayPoint India Signed pact with Banks, NBFCs for Lending Services**

PayPoint India, a technology-enabled distribution network of financial services, signed 'lead generation agreements' with 12 financial institutions viz, Punjab National Bank, ICICI Bank, Deutsche Bank, and Non-Banking Finance Companies (NBFCs) such as Bajaj Housing, Piramal Housing, and Hero Fincorp, among others to assist with loans to the underserved using technology, and to generate leads for housing, personal and business loans through the partnership with banks and NBFCs.

### **SEBI Issued - Norms for MF's Participation over IRS**

Securities and Exchange Board of India (SEBI) has issued guidelines for the participation of Mutual Fund (MF) schemes in Interest Rate Swaps (IRS).

- ✓ SEBI issued frameworks for the Investment Adviser Administration and Supervisory Body (IAASB). As per SEBI's norms, it may recognise anybody or body corporate for the purpose of regulating IAs. An entity granted recognition under the investment advisers (IAs) rules by SEBI will be designated as - IAASB, and it will be allowed to administer and supervise the IAs.

### IDFC First Bank Launched COVID-19 Relief Program

IDFC First Bank has launched an Employee-funded relief program named '**Ghar Ghar Ration**', for its low-income customers whose livelihoods are affected due to COVID-19. Under the program, a Customer COVID Care Fund was set from the contribution of the bank employees' personal income (Employees contributed one day to one month's salary).

- ✓ The bank has also launched an 'Employee COVID Care Scheme 2021' to support the families of employees who have lost their lives due to COVID-19.

### SEBI Imposed Rs 15 crore Fine on Franklin Templeton, 8 Others

Securities and Exchange Board of India (**SEBI**) has imposed a cumulative fine of Rs 15 crore on 9 entities, including Franklin Templeton Trustee Services, senior officials and fund managers associated with the six debt schemes wound up by the Franklin Asset Management Company.

### ICICI Bank Extended Instant 'Cardless EMI' Facility for Online Shopping

ICICI Bank has extended the **instant 'Cardless EMI' facility** for its pre-approved customers to make online purchases across 2,500 e-commerce platforms without using their card. The 'Cardless EMI' facility allows its customers to instantly buy products or services online through Equated Monthly Instalments (EMIs) by using their mobile phone and PAN up to Rs 5 lakh.

### Navi General Insurance Launched Monthly EMI based Health Insurance

Navi General Insurance Limited, a wholly-owned subsidiary of Navi Technologies, introduced an Equated Monthly Installments (EMI) subscription-based health insurance in Kerala. It enables the customers to pay affordable monthly EMIs for health insurance instead of paying the annual premium upfront.

### Govt Eased Listing Norms for Companies having M-cap over Rs 1 lakh crore

After the Securities and Exchange Board of India's (**SEBI**) approval over the amendment of the Securities Contracts (Regulation) Rules, Companies that have a market capitalization (**M-cap**) of more than **Rs.1 lakh crore** at the time of listing are now enabled to sell just 5 percent of their shares.

- ✓ The issuer companies should reach a public shareholding of 10 percent within 2 years of listing and 25 percent within 5 years of listing.

### SBM Bank, Paisabazaar Launched – Step Up Credit Card

Paisabazaar.com, India's largest lending marketplace and Credit Score platform, and SBM Bank India, the youngest universal Bank, launched the 'Step Up Credit Card', a credit-builder product to meet the credit needs of underserved segments. Step Up Credit Card is a secured credit card, provided against the customers' Fixed Deposit (FD). It was the 1st product that was launched under Paisabazaar's neo-lending strategy.

### SBI Card, Fabindia Launched Co-Branded Contactless Credit Card for Premium Customers

SBI Cards & Payment Services, in partnership with Fabindia, launched co-branded contactless credit cards named '**Fabindia SBI Card**' and '**Fabindia SBI Card SELECT**' to offer a rewarding shopping experience to its premium customers.

- ✓ The contactless credit card provides reward points for the premium cardholders on their retail spending with the value back on varied spending categories.

### Afthonia Lab & YES Bank Collaborates to Support Fintech Companies

Afthonia Lab private Limited has announced a strategic partnership with the **YES Bank** to support the fintech companies in India. The partnership will also support the efforts to innovate and inject new ideas to transform the financial sector of India.

### India's Bank Credit-to-GDP Ratio Increased to 56.075% in 2020, but still behind Peers: BIS

As per the data of the **Bank for International Settlements (BIS)**, the bank credit-to-GDP ratio of India in 2020 rose to a 5-year high of about 56.075 percent (whereas in 2016 the ratio was at 59 percent).

- ✓ The incremental credit growth in FY21 was about 5.56 percent (at Rs 109.51 lakh crore), which was the lowest recorded growth in 59 years (whereas in FY 1962 it was at 5.38 percent), in FY20, credit growth was at a 58-year-low at 6.14 percent.

### Aarogyam Healthcare Business Loan Launched by SBI

The country's largest lender, State Bank of India (SBI) launched "Aarogyam Healthcare Business Loan", for the healthcare sector to extend loan support in view of the novel coronavirus pandemic. Loans up to Rs.100 crore, can be availed by the entire healthcare ecosystem and are repayable in 10 years.

### World Bank Approved \$125 Million Program to Support Kerala

World Bank Board of Executive Directors has approved a \$125 million program under the 'Resilient Kerala Program' to support Kerala's preparedness against natural disasters, climate change impacts, and COVID-19. Resilient Kerala Program is a part of a programmatic series of World Bank-financed operations in the state.

### AM/NS India & ICICI Bank Executed India's 1st Paperless Bill Discounting Transaction

ArcelorMittal Nippon Steel (AM/NS) India, an integrated flat carbon steel producer in partnership with ICICI (Industrial Credit and Investment Corporation of India) Bank, executed India's 1st digitized bill discounting transaction. The end-to-end electronic transaction was held between AMNS India (Seller), Vijay Tanks (Buyer), with ICICI Bank as an intermediary between the buyer and seller.

### Kotak Mahindra Bank Launched 'Pay Your Contact' Service in Its Mobile App

Kotak Mahindra Bank Ltd. (KMBL) has launched a new feature namely 'Pay Your Contact' in its mobile banking app. This enables its customers to send money or make payments to any of their contacts across all payment apps simply by the beneficiary's mobile number. This means there is no requirement of account number or **IFSC (Indian Financial System Code) or Unified Payments Interface (UPI) IDs** for transactions.

### Mastercard Partners with Instamojo to Empower MSMEs and Gig Workers

Mastercard made a strategic equity investment in Instamojo to digitize and empower Micro, Small and Medium Enterprises (MSMEs) and gig workers by providing 'easy to use solutions'. The solutions will support the MSMEs to get digitized by setting up online stores, that are equipped with digital payment acceptance capabilities (to reach customers under COVID-19).

### MSME Minister Nitin Gadkari Launched Indian Bank's new program in Maharashtra

Union Minister of MSME (Ministry of Micro, Small and Medium Enterprises) and Road, Transport and Highways, Nitin Gadkari launched Indian Bank's first of its kind flagship Business Mentoring Program named 'MSME Prerana' in Maharashtra. It is to develop managerial and financial capabilities of MSME Entrepreneurs and create awareness on various initiatives taken by the central government (govt)/ State govt / Reserve Bank of India and Other agencies.

### Commercial Bank of Kuwait Selected TCS BaNCS for Transforming Treasury Operations

Commercial Bank of Kuwait (CBK), one of the largest financial institutions in Kuwait, has selected Tata Consultancy Services' (TCS) 'TCS BaNCS' Treasury solution to transform its operations, enhance risk management, offer a new generation of asset class coverage, and ensure regulatory compliance. The treasury solution under the brand name of 'TCS BaNCS' was compiled by TCS Financial Solutions, the business unit of TCS.

## FINANCE NEWS

### India's Largest Crypto Exchange Launched Country's First NFT Marketplace

India's largest crypto exchange, **WazirX** has announced its own Non-Fungible Token (NFT) marketplace, a first of its kind for India and South Asia.

- ✓ **NFTs are digital tokens** that exist on a blockchain and represent ownership of digital items, like artwork, music, etc. It will have no listing price and "minimal gas fees" of \$1 for transactions.
- ✓ **WazirX marketplace** will run on the Binance Smart Chain and will use the company's own WRX token.

### SCNL Became 1st MFI in India to Integrate NPCI's UPI AutoPay

**Tie up b/w** - Satin Creditcare Network Limited (SCNL), a Microfinance Institute(MFI) and HSBC India, Satin Creditcare Network Limited (**SCNL**), a Microfinance Institute(MFI) and HSBC India, banking partner of SCNL made a partnership with NPCI (**National Payments Corporation of India**) to integrate NPCI's UPI AutoPay platform into their system, to enable fully automated loan EMI payments (Recurring Payments) by its customers.

- ✓ **Headquarters of NPCI** - Mumbai, Maharashtra, established in 2008.

### Bharti Axa Life Insurance & Shivalik SFB Made Bancassurance Partnership

**Bancassurance b/w** - Bharti AXA Life Insurance & Shivalik Small Finance Bank(**SFB**)

The partnership makes the distribution of its life insurance products to Shivalik's customers across 31 branches.

### HDFC ERGO, VISA partners to Provide Specialized Insurance Policies

**HDFC ERGO General Insurance made a partnership with VISA**, to provide curated insurance covers for Visa's business cardholders especially the **MSMEs** (Micro, Small & Medium Enterprises).

2 insurance policies were provided under the partnership viz,

- ✓ Business Suraksha Classik and
- ✓ my:Credit Personal Accident Insurance group policy.

### Paytm to Launch India's Largest IPO, Aims to Raise \$3 Billion

Digital payments provider Paytm is going to launch its Initial Public Offering (IPO) and raise about \$3 billion (around Rs 21,800 crore), which would be India's largest IPO debut ever.

Paytm backed by Softbank commonly called One97 Communications Private Limited has targeted around \$25 Billion to \$ 30 Billion from an IPO. It is 1.5-1.8 times the current valuation of \$16 billion.

### FSDC Constituted Inter-regulators' Panel to Deal with Fintech Challenges

Financial Stability and Development Council (**FSDC**) has constituted the first of its kind inter-regulators' panel to address the regulatory challenges posed by the fintech (financial technology) industry. The committee includes officials from the Reserve Bank of India (RBI), finance ministry, the Securities Exchange Board of India (SEBI) and the Insurance and Regulatory Authority of India (IRDAI).

### SEBI Enhanced Overseas Investment Limit for a Mutual Fund

**Securities and Exchange Board of India (SEBI)** enhanced the overseas investment limit for a mutual fund(MF) house to **USD 1 billion from the existing USD 600 million**. The overall MF industry limit for investing overseas remained unchanged at USD 7 billion.

- ✓ SEBI has also increased the overseas investments limit per MF in Exchange Traded Fund (ETFs) to a maximum of USD 300 million from USD 200 million.

### PayNearby and IndiaFirst Life Insurance Launched Insurance Solutions for Retailers

'**Poorna Suraksha**' first of its kind, a cost-effective, 3-in-1 insurance solution was jointly launched by PayNearby, India's largest Hyperlocal fintech startup, in collaboration with IndiaFirst Life Insurance Company Limited to safeguard its 15+ lakh Retail Partners during the COVID-19.

### HDFC MF launched NFO; ICICI Prudential MF to launch NFO for Flexi-cap fund

- ✓ Housing Development Finance Corporation Limited Mutual Fund(**HDFC MF**) has launched the New Fund Offer(**NFO**) of HDFC Banking and Financial Services Fund for retail investors.
- ✓ **ICICI Prudential Mutual Fund** has launched a New Fund Offer(**NFO**) of flexi cap fund, an open-ended equity scheme that will invest across market capitalization in India and has an enabling provision to invest in the overseas markets.

### Ujjivan SFB Collaborates with MoEngage

Ujjivan Small Finance Bank (SFB) collaborated with MoEngage, a customer engagement platform to drive digital banking experiences in the unserved and underserved regions of the country.

**Purpose** – The collaboration is to build a vast presence of the bank for connecting with customers in unserved and underserved regions through multiple digital touchpoints.

- ✓ **Headquarters of Ujjivan Small Finance Bank (SFB)** - Bengaluru, Karnataka.

### **Policybazaar Gets Insurance Broking Licence From IRDAI**

Policybazaar, leading web aggregator has got approval from regulator Insurance Regulatory and Development Authority of India (IRDAI) to function as an insurance broker. Policybazaar will undertake business including insurance aggregation under the broking umbrella and it will surrender its web aggregator licence to IRDAI.

### **India extended 4<sup>th</sup> LOC of \$108.28 mn to Eswatini**

Government of India (GoI) extended its 4<sup>th</sup> Line of Credit (LOC) worth USD 108.28 million to Eswatini (formerly Swaziland) for construction of their new Parliament building via Exim Bank. With this the total value extended to Eswatini as a soft loan has reached USD 176.58 million. These LOCs are being utilized towards the projects of information technology, disaster management, agriculture, and construction.

### **LIC CSL Launched Prepaid Gift Card on IDBI Bank's RuPay Platform**

LIC Cards Services Limited (LIC CSL) partnered with IDBI Bank to launch "**Shagun**", a contactless prepaid LIC gift card powered by the IDBI Bank on the RuPay platform to expand the gift card market and to promote cashless ways of gifting.

- ✓ **Headquarters of NABRAD** of IDBI - Mumbai, Maharashtra.

### **India Extends 100 million USD LoC to support Sri Lanka's Solar Power Coverage**

India has signed an agreement to extend a **100 million USD Line of Credit (LOC)** to Sri Lanka for projects in the Solar Energy Sector. The agreement was signed between the Government of Sri Lanka and the Export-Import Bank of India.

- ✓ India became the first country to partner with Sri Lanka to ensure that 70% of Sri Lanka's national power requirements are fulfilled by renewable energy sources by 2030.

### **Flexiloans.Com Ties Up with Retailio to Offer Working Capital Loans**

Fintech platform FlexiLoans.com has partnered with Retailio, a business-to-business healthcare marketplace, to provide working capital loans to more than 1,00,000 retailers and distributors across the country. It aims to fund over 15,000 pharma retailers in the next 18 months.

### **Phonepe Launches India's First Wallet with Auto Top-Up**

Digital payments company, PhonePe launched **India's first Wallet Auto Top-up feature** using UPI (Unified Payments Interface) e-mandates for its customers. The amount for Auto top-up ranges from Rs 1,000 to Rs 5,000. Under this feature, when a customer will set up a UPI e-mandate the PhonePe will automatically top up the wallet balance when it drops below a minimum level.

### **Clovia Partners with Alliance Insurance Launched Insurance Policy – 'Women's Cancer Shield'**

Clovia, a Women's personal care brand, in partnership with Alliance Insurance, launched a 1st of its kind tailor-made insurance policy, named 'Women's cancer shield' for breast cancer female patients. Under the partnership, **Alliance Insurance** acts as an insurance partner and facilitates the breast cancer insurance policy, while Clovia acts as a medium to make the insurance reach the consumers through its platform.

### **Japan to provide approx \$9.3 mn to build Cold Chain Facilities for Vaccines in India**

Japan is all set to provide approximately US\$9.3 million (~INR 69.15 Crore) assistance from its Emergency Grant Aid scheme to India for the building of cold chain facilities for safe storage of vaccines. In this regard, India will also get cold chain equipment including medical equipment. Japan through its **Emergency Grant Aid schemes** aims to provide 'Last One Mile Support' for ensuring vaccination to each and every person of developing countries, through the **United Nations Children's Fund (UNICEF)**.

**US Announced \$41 Million Additional COVID-19 Assistance to India**

US (United States) Agency for International Development (USAID) announced an additional \$41 million assistance to help India to confront COVID-19, and strengthen India’s preparedness for future health emergencies. The additional fund was provided as a support for COVID-19 testing, pandemic-related mental health services, timely referrals to medical services, and access to healthcare in remote areas.

**Dvara E-Dairy & IFFCO-Tokio Launched Digital ID Tags for Cattle Insurance**

Dvara E-Dairy Solutions Pvt Ltd, a portfolio company of Dvara Holdings, in partnership with IFFCO-Tokio General Insurance Co. Ltd. (ITGI) launched an artificial intelligence (AI) powered digital identity (ID) tag named ‘Surabhi e-Tag’, to identify cattle based on muzzle identity.

**2021 Banking & Finance - July**

**RBI IN NEWS**

**Industrial Credit Growth in FY21 Remained Negative: RBI**

Publication of the Reserve Bank of India (RBI), ‘Quarterly Basic Statistical Returns (BSR)-1: Outstanding Credit of Scheduled Commercial Banks (SCBs), March 2021’, reported a ‘negative credit (loan) growth in industrial sector’ in FY21 due to COVID-19.

- ✓ It reported continuous growth in personal loans which recorded 13.5 percent growth (Y-o-Y) in March 2021.

**Increase in Forex Reserves for FY21; Current Account Surplus at 0.9% of GDP in FY21 – RBI data**

On June 30, 2021, the Reserve Bank of India (RBI) released the ‘Sources of Variation in Foreign Exchange (Forex) Reserves in India during 2020-21’ and reported an increase in the forex reserves in nominal terms, including the valuation effects, by USD 99.2 billion in FY21, compared to USD 64.9 billion of FY20.

- ✓ RBI released the preliminary data on India’s balance of payments (BoP) for the fourth quarter (Q4) of FY21 (January-March, 2021) and reported a Current account surplus of 0.9 percent of GDP in FY21, as against a deficit of 0.9 percent in FY20.

**RBI’s 23<sup>rd</sup> FSR 2021: Banks GNPA may Rise to 9.8% by March 2022**

Reserve Bank of India (RBI) released the 23<sup>rd</sup> issue of its bi-annual Financial Stability Report (FSR) 2021. It estimated the Scheduled Commercial Banks (SCBs) Gross Non-Performing Assets (GNPAs) to rise by 9.8 percent in March 2022 (as per the baseline scenario), from 7.48 percent in March 2021.

- ✓ GNPAs in March 2022 is estimated to be 11.22 percent as per the severe stress scenario. The report stated economic recovery in May and early June 2021.

**RBI Extended Interest Subsidy Scheme for Exporters till September 2021**

Reserve Bank of India (RBI) reported the Government of India’s (GoI) approval for the extension of the ‘Interest Equalization Scheme for Pre and Post Shipment Rupee Export Credit’ for 3 months, i.e., up to September 30, 2021. The extant operational instructions that are issued by RBI under the Scheme were also extended to remain in force up to September 30, 2021.

**RBI Issued Directions for Appointment of MD/WTD in UCBS**

Reserve Bank of India (RBI) has issued directions relating to ‘Appointment of Managing Director (MD) / Whole-Time Director (WTD)’ in all Primary (Urban) Co-operative Banks (UCBs).

**Tenure of MD/ WTD:**

Minimum period to hold the post after 1st appointment	3 years
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Maximum period to hold the post at a time	5 years
Re-appointment(in the same bank)	After a minimum gap of 3 years (In that 3 years they should not be appointed or associated with a bank (directly/indirectly))
Maximum Tenure to hold the post in the same bank	15 years

### RBI Imposed Rs 25 lakh Penalty on Punjab and Sind Bank

Reserve Bank of India (RBI) imposed a **monetary penalty of Rs 25 lakh** on the state-owned Punjab and Sind Bank for non-compliance with certain provisions related to the directions on 'Cyber Security Framework in Banks'.

- ✓ RBI has also **imposed a Rs.1 lakh penalty on the Nagar Sahkari Bank Limited, Etawah, Uttar Pradesh** for contravention of certain regulations such as 'Income Recognition, Asset Classification, Provisioning and Other Related Matters – UCBs (Urban Cooperative Banks)'.

### RBI Modified Norms for Interest on Unclaimed Amount After TD Matures

**Reserve Bank of India (RBI)** modified the rules on applicable interest on unclaimed term deposits (TDs) after maturity in all commercial banks, small finance banks, local area banks, and cooperative banks. Now, unclaimed TDs will attract rates of interest applicable to savings accounts or the contracted interest on the matured deposit, whichever is lower.

### RBI Launched 54<sup>th</sup> Round of Quarterly Survey on Manufacturing Sector

On July 06, 2021, the **Reserve Bank of India (RBI)** launched the 54<sup>th</sup> round of quarterly '**Order Books, Inventories and Capacity Utilization Survey**' (OBICUS) of the manufacturing sector.

- ✓ The reference period for the survey is **Q1 FY22 (April – June 2021)**. OBICUS will provide important figures and input for monetary policy formulation.
- ✓ It is the survey conducted by RBI on the manufacturing sector on a quarterly basis since 2008.

### RBI Announced Changes in G-Sec Auction Methodology

By reviewing the market conditions and market borrowing program of the government, the **Reserve Bank of India (RBI)** has modified the auction methodology of the benchmark securities of tenor **2-year, 3-year, 5-year, 10-year, 14-year tenor and Floating Rate Bonds (FRBs)** to uniform price auction method (earlier it was based on multiple price-based auctions).

- ✓ The auction of other benchmark securities such as **30-year and 40-year** were unchanged and made to continue as multiple price-based auctions.

### RBI Directed Banks to Shift from LIBOR to ARR by December 31, 2021

Reserve Bank of India (RBI) issued an advisory to banks and other RBI-regulated entities to prepare for the transition from the international benchmark reference rate, '**London Interbank Offered Rate (LIBOR)**', to any other widely accepted Alternate Reference Rates (**ARR**).

### RBI Imposed Penalty on 14 Banks for Non-compliance with Rules

**Reserve Bank of India (RBI)** imposed a monetary penalty aggregating **Rs.14.5 crore** on 14 banks for non-compliance with certain provisions of directions issued by it. RBI imposed Rs.2 crore penalty on the Bank of Baroda and Rs.50 lakh on State Bank of India (SBI).

- ✓ RBI **imposed Rs.1 Crore** penalty each on **12 other banks** viz, Bandhan Bank, Bank of Maharashtra, Central Bank of India, Credit Suisse AG, Indian Bank, IndusInd Bank, Karnataka Bank, Karur Vysya

Bank, Punjab and Sind Bank, South Indian Bank, The Jammu & Kashmir Bank and Utkarsh Small Finance Bank.

### **RBI Issued 10-year G-Sec at Higher Cut-off Yield of 6.10 percent**

Reserve Bank of India (RBI), issued the new 10-year Government Security (G-Sec) (that would mature in 2031), at a cut-off yield of 6.10 percent per annum, higher than the earlier cut-off yield of 5.85 percent. RBI sold 3 auctions such as New 10-year G-Sec 2031 at 6.10 percent (for Rs 14,000 crore), 2023 G-Sec at 4.3 percent (Rs 3,000 crore), and 2061 G-Sec at 7.18 percent (for Rs 9,000 crore).

### **RBI Approved Equitas SFB to Apply for Amalgamation of Promoter into itself**

Reserve Bank of India (RBI) approved the **Equitas Small Finance Bank (SFB)** to apply for the amalgamation of its promoter '**Equitas Holdings**' into itself. Equitas SFB is the subsidiary of Equitas Holdings.

- ✓ As per the RBI's SFB licensing guidelines, the promoter of SFB should exit or cease to be a promoter after a lock-in period of 5 years.
- ✓ Headquarters of **Equitas Small Finance Bank (SFB) is Chennai, TamilNadu.**

### **RBI Introduced 'RBI Retail Direct' Scheme to Facilitate Investment in G-Sec by Individuals**

Reserve Bank of India (RBI) introduced a scheme named '**RBI Retail Direct**' to facilitate investment in Government Securities(G-Sec) by retail investors (individuals). Under the scheme, the retail investors are enabled to open and maintain their gilt securities account named 'Retail Direct Gilt Account' (RDG Account) with RBI through an 'Online portal'.

### **RBI Extended the Implementation Timeline of ATM Cassette Swap till March 2022**

Reserve Bank of India (RBI) has extended the implementation deadline for banks to use only lockable cassettes, which could be swapped at the time of cash replenishment (**filling up cash**) in ATMs (Automated Teller Machines) till March 2022.

- ✓ In accordance with the recommendations of the Committee on Currency Movement (CCM) (under the chairmanship of D.K. Mohanty) in 2018, RBI had recommended banks to use lockable cassettes in their ATMs to overcome the risks involved in open cash replenishment/ top-up in ATMs.

### **RBI Restricted Mastercard from Enrolling New customers from July 22, 2021**

Reserve Bank of India (RBI) restricted Mastercard Asia/Pacific Pte. Ltd. (Mastercard), the payment system operators from on-boarding new domestic customers (debit, credit or prepaid) onto their card networks from July 22, 2021, due to the non-compliance with the directions on Storage of Payment System Data.

- ✓ The restriction was imposed in exercise of powers vested in RBI under Section 17 of the Payment and Settlement Systems Act, 2007 (PSS Act).

### **RBI Cancels License of Dr Shivajirao Patil Nilangekar Urban Co-operative Bank**

Reserve Bank of India (RBI) has cancelled the license of **Dr Shivajirao Patil Nilangekar Urban Co-operative Bank** Limited in Nilanga, Latur district of Maharashtra with effect from the close of business on 14th July 2021. Under Section 5(b) read with Section 56 of the Banking Regulation Act, 1949, following the cancellation of the license, the bank is prohibited to conduct the business of 'banking' including the acceptance and repayment of deposits, with immediate effect.

### **RBI Restricted MasterCard; RBL Bank tie-up with VISA to Issue Credit Cards**

The restriction imposed by the Reserve Bank of India (RBI) on MasterCard from on-boarding new domestic customers (debit, credit or prepaid) onto their card networks from July 22, 2021, have imposed a higher impact on the card issuer's (bank) business growth.

- ✓ **RBL Bank**, which has issued credit cards only on the Mastercard payment network, **has now entered into an agreement with Visa Worldwide** Pte Ltd to issue credit cards on Visa's payment network.
- ✓ **YES Bank, and Bajaj Finserv**, that have all their credit card business with MasterCard also got affected.

### RBI Launched 2 Quarterly Surveys on Manufacturing, Service Sector: IOS, SIOS

Reserve Bank of India (RBI) launched the 95<sup>th</sup> round of the Quarterly '**Industrial Outlook Survey (IOS)**', which assesses the performance of the Indian manufacturing sector. The reference period for the survey is Q2 FY22 (July-September 2021). Under IOS, RBI will assess the manufacturing sector business performance for Q2 FY22 and also the growth expectations in Q3 FY22.

- ✓ RBI launched the 30<sup>th</sup> round of the quarterly 'Services and Infrastructure Outlook Survey' (SIOS) for the reference period of Q2 FY22.
- ✓ RBI also released data on the performance of the private corporate sector in Q4 FY21 (January-March 2021).

### RBI: IDFC can exit as promoter of IDFC First Bank; Imposed Rs.1 lakh penalty on Melur Co-operative Urban Bank

**Reserve Bank of India (RBI)** has clarified that **IDFC (Infrastructure Development Finance Company) Limited** can exit as the promoter of IDFC First Bank Limited after the expiry of lock-in period of 5 years

which already ended on September 30, 2020. In this regard, the board will now consider the reverse merger between IDFC and the IDFC bank. For this, an application would be submitted to RBI for its approval.

- ✓ Besides, IDFC may also have to sell its mutual fund business, **IDFC AMC (Asset Management Company)** i.e. IDFC Mutual Fund.
- ✓ RBI in exercise of powers vested in **RBI under provisions of Section 47 A (1) (c) read with Section 46 (4) (i) and Section 56 of the Banking Regulation Act, 1949 (AACS- As Applicable to Cooperative Societies)** imposed a monetary penalty of Rs 1 lakh on Melur Co-operative Urban Bank Ltd. located in Melur, Madurai District, Tamil Nadu for non-compliance with certain provisions of the directions issued by RBI.

### RBI Allowed Loan of up to Rs 5 Crore to Other Bank's Directors Without Board Approval

Reserve Bank of India (RBI) has amended the regulatory restrictions on personal loans and advances that are granted to bank directors and their relatives after 26 years.

- ✓ RBI has increased the **threshold of 'personal loans'** that could be granted to any directors and their relatives of other banks to Rs 5 crore from Rs 25 lakh (which was fixed by RBI in 1996).
- ✓ The revised threshold regulations were applicable only for the personal loans of the directors (not for business loans), whereas the limit of Rs 25 lakh was allowed to continue for business loans.

### RBI Plans to Introduce Central Bank Digital Currency in Phases

Reserve Bank of India's Deputy Governor **T. Rabi Sankar** stated about the RBI's plan for the phased introduction of a 'Central Bank Digital Currency' (CBDC). A CBDC is a legal tender that would be issued by the central bank in a digital form. It is exchangeable one-to-one with fiat currency and it would appear as a liability (currency in circulation) on a central bank's balance sheet.

### RBI Released RBI-DPI of March 2021; Digital Payments Grew 30.19% in FY21

On July 28, 2021, the Reserve Bank of India (RBI) released the RBI – **Digital Payments Index (RBI-DPI)** in March 2021 at 270.59, increased from 207.84 in March 2020. The digital payments of the country have recorded a growth of 30.19 percent in FY21 due to COVID-19.

- ✓ It is the index launched by RBI in January 2018 with March 2018 as the base period (ie. DPI score for March 2018 is set at 100) to identify the extent of digitization of payments across the country.
- ✓ **5 parameters include** – Payment Enablers, Payment Infrastructure – Demand-side factors, Payment Infrastructure – Supply-side factors, Payment Performance, and Consumer Centricity.

### RBI Allowed Non-banks to Participate in CPS – RTGS, NEFT

Reserve Bank of India (RBI) allowed non-banks to participate in its Centralized Payment Systems (CPS) viz, Real Time Gross Settlement (RTGS) and National Electronic Fund Transfer (NEFT) systems, in a phased manner. In the 1st phase, authorized non-bank Payment System Providers (PSPs) such as Prepaid Payment Instruments (PPIs) Issuers, Card Networks, and White Label ATM Operators will be allowed to participate in CPS as direct members.

### RBI Cancelled the License of Madgaum Urban Co-operative Bank

Reserve Bank of India (RBI) cancelled the **license of Madgaum Urban Co-operative Bank Limited**, Margao, Goa due to its inadequate capital and earning prospects to pay its present depositors in full. The bank is also prohibited from conducting the ‘banking’ business (including acceptance of deposits and repayment of deposits) as defined in Section 56 of the Banking Regulation (BR) Act, 1949.

## LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
World Bank	India	USD 500 million (Rs 3,726.30 crore)	<p>World Bank Board of Executive Directors approved a USD 500 million (Rs 3,726.30 crore) loan programme, ‘<b>Creating a Coordinated and Responsive Indian Social Protection System’ (CCRISP)</b>’ to support India’s informal working class to overcome the COVID-19 distress and to support the states to manage the current pandemic, future climate and disaster shock.</p> <ul style="list-style-type: none"> <li>✓ Out of the USD 500 million loan, USD 112.50 million will be financed by the International Development Association (IDA) and the remaining USD 387.50 million from International Bank for Reconstruction and Development (IBRD).</li> <li>✓ <b>Maturity:</b> The loan has a maturity period of 18.5 years with a grace period of 5 years.</li> </ul>
NABARD	Odisha	Rs 388 crore	<p>National Bank for Agriculture and Rural Development (NABARD) has sanctioned financial assistance of <b>Rs 388 crore</b> under the <b>Rural Infrastructure Development Fund (RIDF)</b> for Odisha to set up 4 mega piped drinking water supply projects and 20 rural road projects across 15 districts of the state.</p>

			<b>Headquarters of NABARD</b> is Mumbai, Maharashtra and established in 1982.
NABARD	Goa	Rs 2891.15 lakh	National Bank for Agriculture and Rural Development ( <b>NABARD</b> ) has sanctioned a loan worth Rs 2891.15 lakh under the <b>Rural Infrastructure Development Fund (RIDF)</b> to the Government of Goa for the Construction of Phase II Building of Goa Dental College and Hospital in Bambolim, Goa. <ul style="list-style-type: none"> <li>✓ The construction of the sanctioned social infrastructure will be the State of the Art '<b>Dental Hospital</b>' for dental treatment and for overall improvement in the health standards of the people in the state.</li> <li>✓ Headquarters of NABARD is <b>Mumbai, Maharashtra.</b></li> </ul>
Export-Import (Exim) Bank	Mumbai based Kalpataru Power Transmission Ltd (KPTL)	USD 35.26 million	<b>Export-Import (Exim) Bank</b> of India has extended a USD 35.26 million loan for <b>Mumbai based Kalpataru Power Transmission Ltd (KPTL)</b> to execute a power transmission project in Senegal. The Credit facility was extended under the National Export Insurance Account (NEIA) scheme. NEIA would provide financing options to Indian project exporters with the support of cover from NEIA Trust. Headquarters of <b>Export-Import (Exim) Bank of India is Mumbai, Maharashtra.</b>

### AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
Axis Bank Ltd	Amazon Web Services (AWS)	The agreement made to build a portfolio of new digital financial services with technology changes, and new payment modes for better banking experiences to customers. Axis Bank has selected AWS as a cloud provider to meet the digital banking service demand of its over 200 million customers.
Ujjivan Small Finance Bank (SFB)	LoanTap Financial Technologies Pvt. Ltd	This partnership of Ujjivan SFB is a part of its API (Application programming interface) banking initiative, through which it has over 150 APIs for offering fast and secure tie-ups for digital lending, digital liabilities, and payments to fintech. It aims to extend the bank's services to its customers via LoanTap's fast and convenient platform.
Axis Bank	Indian Army	At New Delhi to offer a defence service salary package to the latter under its ' <b>Power Salute</b> ' initiative. The MoU will cover

		<p>all ranks of army officers viz. serving Defence personnel as well Defence pensioners under its ambit.</p> <p>During the signing <b>ceremony Indian Army</b> was represented by <b>Lt Gen (Lieutenant General)</b> Rana Pratap Kalita, and Axis Bank was represented by Reynold D' Souza, Executive Vice President and <b>Lt Col MK Sharma National Accounts Head, Axis Bank.</b></p>
Axis Bank	Max Bupa	<p><b>Axis Bank, the country's third-largest private sector bank,</b> entered into a bancassurance partnership with Max Bupa Health Insurance to provide comprehensive health insurance solutions to its customers and employees.</p> <p>Under the partnership, Max Bupa will offer indemnity as well as fixed benefit products, and their customizable variants to the bank's customers across the country.</p>
Bank of Baroda, Yes Bank, Mathworks, Yourstory, Freshworks and PONTAQ	STPI	<p>Software Technology Parks of India (<b>STPI</b>), a part of the Ministry of Electronics and Information Technology (<b>MeitY</b>), has entered into a MoUs with <b>Bank of Baroda, Yes Bank, Mathworks, Yourstory, Freshworks and PONTAQ</b> to build a robust startup ecosystem in India.</p> <p>Through the 6 agreements, STPI would promote entrepreneurship and create a nurturing ecosystem for Centres of Excellence (CoE), that are set up by the STPI in areas such as digital and mobile payments, blockchain, IoT (Internet of things), big data, and other emerging technologies.</p>
Bank of India	Bajaj Allianz General Insurance	<p><b>Bajaj Allianz General Insurance,</b> private general insurers, and Bank of India have entered into a '<b>corporate agency agreement</b>' for distribution of Bajaj Allianz General Insurance's products through the Bank of India's vast network across the country.</p> <p>Under the agreement, Bajaj Allianz General Insurance will offer a number of personal lines of products such as – motor insurance, health insurance, home insurance, travel insurance to the bank's customers.</p>
HDB Financial Services (HDBFS)	FREO	<p>FREO, <b>India's 1st credit-led Neobank,</b> made a partnership with HDB Financial Services (<b>HDBFS</b>), a Non-Banking Financial Company (NBFC), to provide 2 credit products such as a 'credit line' and a 'high-ticket personal loan' for its customers across multiple cities in India.</p>
ICICI Bank	A business accounting software BUSY	<p><b>Tie up b/w</b> - A business accounting software BUSY &amp; ICICI ((Industrial Credit and Investment Corporation of India) <b>Purpose</b> – The both organizations have collaborated banking solutions for BUSY to improve its business efficiencies. This integration will allow BUSY users to reconcile their bank statements automatically, do accounting, fetch bank details, make payments, etc., directly from the software.</p>
Bank of Maharashtra	NABARD	<p>To foster the existing developmental initiatives that are linked to Priority Sector Lending (PSL) in Maharashtra.</p> <ul style="list-style-type: none"> <li>✓ The MoU is intended to benefit farmers, farmer producer organisations, joint liability groups, self-help</li> </ul>

		<p>groups, rural artisans, weavers, agripreneurs, agri start-ups, and Micro, Small and Medium Enterprises (MSMEs) in the State.</p> <p>BoM is the convenor bank of the State Level Bankers' Committee (SLBC) of Maharashtra.</p>
Kotak Mahindra Bank	Indian Navy	<p>To offer a salary account to all the personnel of the Indian Navy including both serving and retired personnel. The signing of the MoU was jointly chaired by Commodore Neeraj Malhotra (commodore pay and allowances) of the Indian Navy and Parminder Varma, business head (corporate salary), KMB, in New Delhi.</p> <p>Kotak Mahindra Bank(KMB) has automated its partner payments process with the end to end payout solution 'Hyperform' of Act21 Software.</p>
Indian Bank	Indian Institute of Technology (IIT) and Guwahati Technology Incubation Centre (TIC)	<p>For financing Start-ups under the bank's loan product '<b>IND Spring Board</b>'. The MoU is one of its kind and a step towards the Indian bank's commitment towards the economic upliftment of the entrepreneurs in Assam and North East India.</p>
Yes Bank	Indiabulls Housing Finance for home loans	<p><b>Aim</b> - This co-lending agreement aimed to enhance capabilities of providing seamless experience to retail home loan customers. Under this, home loans will be provided at competitive interest rates.</p>

## OTHER BANKING NEWS

### SEBI Board Approved List of Amendments, Initiatives

**Securities and Exchange Board of India (SEBI)** approved the amendments and frameworks that are made relating to independent directors (IDs), mutual fund (MF) regulations, and others at its board meeting.

- ✓ **SEBI amended the SEBI (Mutual Funds (MF)) Regulations, 1996**, and allowed to invest a minimum amount as 'skin in the game' in the MF schemes by Asset Management Companies (AMCs) **based on** the risk associated with the scheme, instead of the current requirement of the investment of 1 percent of the amount raised in New Fund Offer (NFO) or an amount of Rs 50 lakh, whichever is less.

### ICICI Bank Launched Banking Solution for Doctors – 'Salute Doctors'

ICICI Bank launched '**Salute Doctors**', a digital and instant banking solution that is designed exclusively for medical doctors during the National Doctor's Day, on July 01, 2021. The solution is powered by ICICI STACK, a digital banking platform with nearly 500 services

- ✓ It offers customized banking and value-added services to every doctor such as medical students, senior medical consultants, and even the owner of a hospital or a clinic.

### Enroute Technologies Launched OmniCard – a Prepaid Card for Youngsters

After receiving the authorization from the Reserve Bank of India (RBI) to issue and operate Prepaid Payment Instrument (PPI), Enroute Technologies, a fintech company, has launched '**OmniCard – a prepaid card for youngsters**' aged between 15-24 years.

- ✓ This is the 1st PPI launched by a non-bank payment system operator in India after the RBI allowed them to include more features into prepaid cards, bringing them on a par with payment banks.

### World Bank increased COVID-19 Vaccine Funding by \$8bn to \$20 bn

World Bank (WB) enhanced its available funding by \$8 billion for COVID-19 vaccine purchases and deployment to \$20 billion over next 18 months i.e. through 2022 from a previous target of \$12 billion.

- ✓ This decision has been taken to overcome the disproportionate vaccination rates between the advanced economies and developing countries.

### SIDBI Added Development Measures for MSMEs

On World Micro, **Small and Medium Enterprises (MSME) Day (June 27, 2021)**, the Small Industries Development Bank of India (**SIDBI**), has rolled out multiple measures to support COVID-19 hit MSMEs.

- ✓ SIDBI has reduced the interest rate of the '**Timely Working Capital Assistance to Revitalise Industries in Times of Corona Crisis (TWARIT) scheme** under ECLGS (Emergency Credit Line Guarantee Scheme) from 8.25 percent to 6 percent for its existing customers.
- ✓ SIDBI plans to launch a Swavalamban Challenge Fund and a Swavalamban Facilitation Center under its PRAYAAS scheme for mentoring and providing credit to MSMEs in villages and small towns through microfinance institutions.

### Aeldra Proposed US Bank Account for Indian Students

Aeldra Financial Inc., a '**digital neo bank**' proposed a United States (US) bank account with a Mastercard Global Debit Card for the Indian students who are preparing to get admission in the US.

- ✓ **Objective:** To enable the Indian students, professionals, and investors to get their US bank account before they leave for the U.S.

### HDFC Bank Joins with Creditas Solutions to Offer Digital Self-Service Credit Portal

HDFC Bank has partnered with Creditas Solutions to offer a guided and customized digital debt management solution with a self-service credit portal for its loan and credit card customers under COVID-19. Under the partnership, Creditas provides a fully integrated ready-to-deploy credit help platform to address the challenges faced by users while managing their credit card and loan payments.

- ✓ **Headquarters of HDFC Bank** is Mumbai, Maharashtra.

### Drip Capital Joins with SBM Bank India to Empower MSME Exporters

**Drip Capital**, a fintech company, has collaborated with **SBM Bank India** to offer customized trade financing solutions to empower Micro, Small & Medium Enterprises (**MSME**) exporters in India. Under the partnership, Drip Capital will provide collateral-free working capital to MSME exporters at competitive rates through its invoice discounting facility.

### IOB Become the 2<sup>nd</sup> Most-valued Listed PSB; Surpassed PNB, BoB

Indian Overseas Bank (**IOB**) has become the 2nd most-valued listed Public Sector Bank (**PSB**) with a market capitalization (market-cap) of over Rs 50,000 crore by surpassing its peers viz, **Punjab National Bank (PNB)** (3<sup>rd</sup>) and Bank of Baroda (**BoB**)(4<sup>th</sup>).

- ✓ IOB's net profit increased by 2 times to Rs.350 crore in Q4FY21 (January-March, 2021) when compared with its net profit of Rs 144 crore in Q4FY20.

### Mastercard, MMOP, Axis Bank Launched 'One Mumbai Metro Card' for Mumbai People

Mastercard, Mumbai Metro One Private Ltd (MMOP), and Axis Bank launched '**One Mumbai Metro Card**' to enable cashless and contactless travel for Mumbai People (**Mumbaikars**).

**Objective:** To change the way Indians travel regularly and to modify the transit ecosystem into completely digital.

## **NIIT, Axis Bank Launched 'Digital Banking Academy'; Axis Direct Launched 'Super Options'**

NIIT Institute of Finance Banking and Insurance (**NIIT IFBI**), a subsidiary of National Institute of Information Technology (NIIT) Limited, and Axis Bank have made a partnership and launched an 18-week fintech professional programme under the '**Axis Bank - NIIT Digital Banking Academy**'.

- ✓ It is the 1st first Fintech programme being launched under the Axis-NIIT Digital Banking Academy and it would build future-ready professionals for Axis bank.

## **SEBI Revised the Timelines for Stock Exchanges to Modify CDCs**

Securities and Exchange Board of India (**SEBI**) has reduced the '**Advance Intimation Timelines**' for Stock Exchanges to make modifications in the contract specifications of '**Commodity Derivatives Contracts**' (**CDCs**). Now, the timeline for all the three categories i.e., **Category A, Category B and Category C**, was reduced to 10 days to bring uniformity.

## **Axis Bank Announced its 1<sup>st</sup> Transaction in SOFR Linked Derivative**

Axis Bank announced its 1<sup>st</sup> derivative transaction linked to '**Secured Overnight Financing Rate**' (**SOFR**), by replacing the London Inter-Bank Offered Rate (**LIBOR**). SOFR is one of the popular US dollar interest rate benchmarks and it is expected to replace LIBOR as an Alternate Reference Rate (ARRs) at the end of December 2021.

## **New NABARD schemes launched by Manipur CM Biren Singh; NABARD Sanctioned Development Projects in Kerala**

N. Biren Singh, the Chief Minister of Manipur, virtually launched various welfare schemes that are implemented under the 'National Bank for Agriculture and Rural Development' (**NABARD**) in the state.

- ✓ The scheme includes the 'Comprehensive Scheme for development of Manipur State Cooperative Bank (**MSCB**) Ltd. and Primary Agriculture Co-operative Societies (**PACS**)' in Manipur.

## **FEDDY – AI-powered virtual customer assistance launched by Federal Bank**

FEDDY, an Artificial Intelligence (AI) powered virtual assistant was launched by Federal Bank to provide 24\*7 assistance to its customers on banking related queries. FEDDY is a State-of-Art tool that can also be integrated and accessed through Alexa, Google Assistant and WhatsApp. Notably, Federal Bank previously launched

- ✓ "**FedSelfie**" - a user-friendly tool that allows users to open a bank account by taking selfies.
- ✓ "**Federal 24\*7**" - Users can open bank accounts through Video Call.

## **SEBI Introduced EL-based Rating Scale for CRAs**

To protect the interest of investors in securities, the '**Securities and Exchange Board of India**' (**SEBI**) has devised a certain new standardised rating scale viz. Expected Loss (EL) based Rating Scale for the Credit Rating Agencies (CRAs).

- ✓ The EL based Rating Scale has to be used by the CRAs while rating projects/instruments associated with the infrastructure sector.
- ✓ The EL-based rating symbols and their definitions provided by the CRAs were divided into a scale of 7 levels, spanning from lowest to highest expected loss.

## **Dhanlaxmi Bank Partners with SMC Global to Offer Online Trading Services**

**Dhanlaxmi Bank** made a strategic partnership with SMC Global Securities Limited (SMC Global) to offer online trading services to its customers. 3-in-1 account: Under the partnership, the bank will offer an integrated 3-in-1 account, comprising a Savings, Demat and Trading account to provide a convenient trading experience to its customers.

- ✓ Headquarters of Dhanalaxmi Bank is - Thrissur, Kerala.

### PPB Became 1st in India to Make Payments from FD a/c held with IndusInd Bank

Paytm enabled its **Paytm Payments Bank (PPB)** customers to make instant payments across online platforms through its all-in-one payment gateway using balances available in their **Fixed Deposit (FD) account**, which is held with IndusInd Bank, the partner bank of Paytm.

- ✓ Using FD as a payments source under the Paytm gateway is the first-of-its-kind solution of PPB.
- ✓ Headquarters of Paytm Payments Bank (**PPB**) – Noida, Uttarpradesh.

### ICICI Bank, HPCL Launched Co-Branded Credit Card – ‘ICICI Bank HPCL Super Saver Credit Card’

ICICI Bank launched a co-branded credit card with Hindustan Petroleum Corporation Limited (HPCL) named **‘ICICI Bank HPCL Super Saver Credit Card’** to provide all the benefits and reward points of multiple credit cards in one card. The card is powered by VISA.

- ✓ The card will enable the customers to make payments for daily spending on fuel along with electricity mobile, e-commerce portals, etc.

### NSDL Payments Bank Partnered with Multilink to Provide Banking Facilities

**NSDL Payments Bank** has made a strategic partnership with **Multilink**, a fintech company to build agent points across India to boost the banking facilities in rural and semi-urban areas of India through the Neo banking system.

**Objective of Partnership:** To boost digitization and to expand the benefits of financial services to all sections of society.

### U GRO Capital made Co-Lending Partnership with BoB to Lend MSMEs

On the eve of **Bank of Baroda’s (BoB) 114th Foundation Day**, **U GRO Capital**, a technology-enabled Non-Banking Finance Company (NBFC), made a Co-lending partnership with BoB to lend Micro, Small and Medium Enterprises (MSMEs) at a competitive rate of interest with reduced turn-around time.

- ✓ Under the partnership, a co-lending programme named Pratham was launched to disburse loans for over Rs 1,000 crore.

### Kerala Bank Launched a New Loan Scheme – ‘Kerala Bank Samagra’

**Kerala Bank** has launched a new loan scheme named **‘Kerala Bank Samagra’** to support the infrastructure development of the **Primary Agricultural Credit Cooperatives (PACS)**. The loan aims to support PACS to create job opportunities in rural areas and overcome the COVID-19.

- ✓ The Health Minister of Kerala, Veena George stated about the plans to launch a campaign called ‘Mathru Kavacham’ to provide COVID-19 vaccines to all the pregnant women of the state.

### Paisalo Digital selected as SBI’s National Corporate Business Correspondent

State Bank of India (SBI) selected **Paisalo Digital** as National Corporate Business Correspondent of the Bank. It has been selected to ensure greater financial inclusion and to increase the delivery of its financial services.

- ✓ As a Business Correspondent (BC), Paisalo Digital will provide banking services through Kiosks.
- ✓ As a Business Correspondent for SBI, Paisalo Digital will focus on boosting the fully digital small loan business under SBI-Paisalo Loan Co-origination.

### HDFC Bank, CSC Launched OD Facility up to Rs 10 lakh for Small Retailers

HDFC Bank in collaboration with Common Services Centres (CSC) e-Governance India Ltd, Special Purpose Vehicle (CSC SPV), launched an **OverDraft (OD) scheme named ‘Dukandar Overdraft Scheme’** to provide financial assistance up to Rs.10 lakh to small retailers.

## SBI Tops List of PSBs Writing-Off NPAs in FY21

**State Bank of India (SBI)** topped the list of Public Sector Banks (PSB) writing off loans in FY21 followed by Union Bank of India (**UBI**), and Punjab National Bank (**PNB**). A loan write-off is a tool used by banks to clean up their bad loans/Non-Performing Assets (NPAs) from their balance-sheets.

## Hughes to Connect 1,800 Bank of India Sites with Satellite Broadband

**Hughes Communications India Pvt Ltd (HCIPL)**, the satellite broadband services firm, has made a deal with the Bank of India to connect 1,800 branches of the Bank of India across India using a satellite-based connectivity solution.

- ✓ HCIPL will provide the network connectivity through the Hughes Jupiter system including routers, gateways, and network management with high performance and efficiency, using capacity on the GSAT11 and NSS12 satellites.

## NABARD Approves Around Rs.446 crores for Drinking Water Projects in Punjab

National Bank for Agriculture and Rural Development (**NABARD**) has sanctioned around **Rs.446 Crore** (i.e. Rs 445.89 Crore) for five large surface based drinking water projects in Ferozpur, Fazilka, Hoshiarpur and Rupnagar districts of Punjab. The funds have been sanctioned under the Rural Infrastructure Development Fund (RIDF).

- ✓ The Punjab government is leveraging Centre's assistance under "**Jal Jeevan Mission**" with support under RDIF for the benefit of larger sections of the society.

## FINANCE NEWS

### IMF Board Approved US\$650 Billion SDR Allocation Against COVID-19

In July 2021, the executive board of the **International Monetary Fund (IMF)** approved the Special Drawing Rights (SDRs) allocation equivalent to USD 650 billion, to support the economically vulnerable member nations' battle against COVID-19.

- ✓ It is the largest allocation in the **IMF's history**, it would boost the liquidity and reserves of all IMF member countries and promote the resilience and stability of the global economy.

### NPST receives TPAP Registration from NPCI

**Network People Services Technology (NPST)**, a Thane-based banking technology provider has received a **Third-Party Application Provider (TPAP)** registration from the National Payments Corporation of India (**NPCI**) for its TimePay solution.

- ✓ TPAP is the entity that provides the UPI compliant app to the end-user customers to facilitate UPI (Unified Payments Interface) based payment transactions. The TPAP registration will enable the company to offer digital services to its partner bank's current account customers and also acquire merchants directly.

### LIC Launched 'Saral Pension Plan'

Life Insurance Corporation (LIC) of India launched a non-linked, non-participating, single premium, individual 'immediate annuity plan' named '**Saral pension plan**' as per the guidelines of the Insurance Regulatory and Development Authority of India (IRDAI).

- ✓ The plan allows policyholders to pay a lump sum amount as the purchasing price of the plan and to receive a fixed amount of money at regular intervals.

### Govt Extended Retirement Age of LIC Chairman from 60 to 62 Years

Government (govt) has amended the **Life Insurance Corporation (LIC) of India (Staff) Regulations, 1960** to extend the superannuation (retirement) age of Initial Public Offer (IPO)-bound LIC Chairman to 62 years from 60 years.

- ✓ The changes made in the rules will be called the Life Insurance Corporation of India (Staff) Amendment Rules, 2021.

### Paytm Launched Instant Small Loan Service – ‘Postpaid Mini’

Paytm, digital payments platform, in partnership with Aditya Birla Finance Ltd., launched a small-ticket instant loans service named ‘**Postpaid Mini**’. It was as an extension of its ‘**Buy Now-Pay Later**’ service, to support new-to-credit customers.

- ✓ Under Postpaid Mini, the users could get access to loans ranging from Rs 250 – Rs 1,000 along with Paytm Postpaid’s instant credit of up to Rs 60,000.

### SEBI Fined IL&FS, AFSPL for Fraudulent MF Transactions

**Securities and Exchange Board of India (SEBI)** imposed a monetary penalty of Rs.26 crore on IL&FS Securities Services Ltd and Rs 3 crore on **Allied Financial Services Pvt Ltd (AFSPL)** over-involvement in fraudulent transfer of Mutual Fund (MF) units from the client’s accounts.

### HDFC Launched ‘salaam dil sey’ initiative to acknowledge Service of Doctors

HDFC (Housing Development Finance Corporation) Bank launched ‘**Salaam Dil Sey**’ initiative. In this regard, a web portal has been created by bank [www.salaamdilsey.com](http://www.salaamdilsey.com) where the general public can log in and share their thank you message for doctors.

- ✓ The bank also virtually felicitated **Padma Bhushan Dr Naresh Trehan**, a renowned Cardiovascular and Cardiothoracic surgeon as a thank you gesture from the bank to all doctors across the country.
- ✓ On National Doctors’ Day i.e. on July 1, 2021, the bank unveiled ‘**Wall of Dedication**’ at its Corporate Office in Worli, Mumbai (Maharashtra).

### Flexiloans Partners with GooglePay to Provide Digital Loans to SMEs

FlexiLoans.com, a Micro Small & Medium Enterprises (MSME) focused digital lending platform, collaborated with Google Pay, Google’s payment app, to offer digital and feasible loans to Small and medium-sized enterprises (SMEs).

- ✓ FlexiLoans is the 1st lender to go live on the Google Pay platform. The collaboration is intended to provide loans to small merchants and entrepreneurs in India, those who are unable to access formal credit.

### Razorpay, Mastercard Launched Recurring Payment Interface – MandateHQ

**Razorpay**, a Payments solution provider, in partnership with Mastercard launched a recurring payment interface named ‘**MandateHQ**’, to support card-issuing banks that wish to enable recurring payments for its customers. MandateHQ is an API (Application Programming Interface)-based plug-n-play solution, which would reduce the go-live time of card-issuing banks.

### Easiloan Instant Match: Easiloan launched India’s first AI-based Home Loan Selection Engine

A fintech startup **Easiloan Techno Solutions Pvt. Ltd.** located in **Mumbai, Maharashtra** launched ‘**Easiloan Instant Match**’ application for home loans. This app is the housing finance **industry’s first Artificial Intelligence (AI)** technology-based selection and recommendation engine for home buyers.

### SBI General Insurance Launched Health Insurance Plan - ‘Arogya Supreme’

**SBI General Insurance** launched a comprehensive health insurance plan named ‘**Arogya Supreme**’ with multiple benefits and coverages.

- ✓ Under the policy the insured persons will get a wide range of sum insured options up to **Rs.5 crore** for their medically necessary hospitalization due to illness or accident that occurred during the policy period.

### Airtel Payments Bank launches 'Pay to Contacts' Feature for UPI-Based Transactions

Airtel Payments Bank has launched a new feature called '**Pay to Contacts**' which will allow its customers to initiate a **UPI (Unified Payments Interface)** payment by selecting the receiver's mobile number from their phonebook. It will display the valid UPI ID associated with the **selected contact, irrespective of the UPI** app used by the receiver.

### Debit, Credit Cards Contain 'Accident Insurance Cover'

Debit and credit cards issued by banks will have a complimentary '**Personal Accident Insurance Cover**'.

✓ **General Condition:** To claim the insurance, the card should be in active use and the claims should be made within a particular time frame.

**Example:** To claim insurance under the **Rupay insurance programme**, the insured person needs to intimate within 90 days from the date of the accident and the card should have active transaction before 90 days of the accident.

### Finance Ministry Scrapped LIC's Chairman Post; To Have MD & CEO

On July 09, 2021, the Department of Financial Services (DFS), Ministry of Finance, removed the position of chairman from the **IPO (Initial Public Offer)** bound – Life Insurance Corporation of India (**LIC**) and it will have Managing Director (**MD**) and Chief Executive Officer (**CEO**), by making amendments over the LIC Act 1956. It will create CEO post after this (Currently there is no CEO in LIC).

✓ The MD and CEOs will be appointed by the Central Government under section 4 of the LIC Act 1956.

### IFSCA Issued Framework for Setting up ITFS in IFSC

**International Financial Services Centres Authority (IFSCA)** issued a framework for setting up and operating an '**International Trade Finance Services**' (**ITFS**) platform to provide trade finance services at International Financial Services Centres (IFSCs). ITFS is an electronic platform for facilitating the trade finance requirements of Exporters and Importers, through multiple Financiers.

### Bhutan Became the 1st Country to Adopt UPI Standards for its QR Deployment

**NPCI International Payments Ltd (NIPL)**, the international arm of National Payments Corporation of India (NPCI), in partnership with the Royal Monetary Authority (RMA) of Bhutan implemented the Bharat Interface for Money (BHIM) Unified Payments Interface (UPI) QR-based payments in Bhutan.

### IFC Invested \$16.5 million in MedGenome for COVID-19 Research

**International Finance Corporation (IFC)**, a member of the World Bank Group, has invested **\$16.5 million (~Rs 123 crore)** in MedGenome, a genetic diagnostics and research company, to increase the access to COVID-19 testing, support research (to better help understand the virus), and manage future outbreaks.

✓ The current investment is part of IFC's \$4 billion (~ Rs 29, 820 crore) Global Health Platform, which is providing finance to support the manufacturing and supply of vaccines, medical equipment, etc.

### LIC Launched Health Insurance Plan – Arogya Rakshak

Life Insurance Corporation of India (LIC) launched a non-linked, non-participating, regular premium, individual, health insurance plan named – '**Arogya Rakshak**' to provide fixed benefit health insurance cover against certain specified health risks. The plan was launched by M. Jagannath, Zonal Manager (South Central Zone) of LIC.

### HDFC ERGO Launched a Health Policy – Optima Secure

**HDFC ERGO General Insurance**, a non-life insurance company, launched a new health indemnity insurance policy named '**Optima Secure**' to redefine the values of insurance plans that would be

obtained by customers. The insurance plan provides guaranteeing coverage for listed non-medical expenses and it would offer up to 4 times the sum insured by customers at no additional charge within 2 years.

- ✓ Headquarters of HDFC ERGO General Insurance - Mumbai, Maharashtra.

### **Biteeu India Became World's 1st Crypto Exchange with Multi-signature and Backup in Space**

Biteeu India made a partnership with **SpaceChain, a space-as-a-service solution provider**, to launch its digital security infrastructure into space onboard a SpaceX Falcon 9 rocket as part of the rideshare program.

- ✓ Under the partnership, SpaceChain will create the space node for Biteeu and install it on a YAM-2 satellite which is carried by rocket. The mission will be executed by satellite operator Loft Orbital.

### **Max Bupa Health Insurance Rebranded as 'Niva Bupa'**

**Max Bupa Health Insurance company limited** which was renamed as Niva Bupa Health Insurance Company Limited has rebranded itself as '**Niva Bupa**'. The brand transition of the company will be completed by December 2021. The rebranding of Max Bupa as Niva Bupa is due to the shareholder transition of Max Bupa from Max India to True North.

- ✓ **Magma Fincorp Limited (Magma)**, a non-banking finance company, was renamed as Poonawalla Fincorp Limited with effect from 22<sup>nd</sup> July 2021, following the acquisition of controlling stakes by Rising Sun Holdings Private Limited (RSHPL) owned by Adar Poonawalla the **Chief Executive Officer (CEO)** of Serum Institute of India (SII).

### **IFC lends \$250 million to HDFC Ltd to boost Green Housing Finance in India**

The investment arm of the World Bank Group, **International Finance Corporation (IFC)** has sanctioned USD 250 million (**Rs. 1858 Crore**) to HDFC (Housing Development Finance Corporation) Ltd to enhance inexpensive housing finance in India under the themes Affordable & Green housing.

- ✓ Headquarter of International Finance Corporation (IFC) – Washington DC, United States (US).

### **SWIFT Launched 'SWIFT Go' Service for Low-value Cross-border Payments**

**Society for Worldwide Interbank Financial Telecommunications (SWIFT)** has launched a new solution for Small and Medium-Sized Enterprises (SMEs) named '**SWIFT Go**' to enable seamless Low-Value Cross-Border Payments anywhere in the world, directly from their bank accounts.

- ✓ It will enable businesses and consumers to make instant and frictionless cross-border transactions with transparency and security.

### **SVAAS Wellness, ICICI Lombard Launched Cashless Digital Health Solution**

On July 27, 2021, **SVAAS Wellness Ltd**, the wholly-owned subsidiary of Dr Reddy's Laboratories Ltd, and ICICI Lombard General Insurance Company, collaborated for the pilot launch of a first-of-its-kind cashless outpatient digital health solution to health insurance policyholders in India.

- ✓ At the pilot launch, the services will be provided in the cities of Hyderabad, Telangana and Visakhapatnam, Andhra Pradesh.

### **InCred Partnered with Amazon India to Offer Loan to E-commerce Merchants**

The financial **services platform InCred** has signed a strategic partnership with **Amazon India** to offer collateral-free, working capital loans to e-commerce merchants (amazon merchants) across India. The working capital loan of up to Rs 50 lakhs will be offered to the merchants through the InCred seller portal.

**Objective** - To enable the e-commerce merchants across India to get affordable credit to support the growth and working capital requirements.

### **Prest Loans and U GRO Capital partnered to provide MSME Credit in Tier 3 and 4 Cities**

**Digital lender NBFC (Non-Banking Financial Company) Prest Loans** signed a strategic alliance agreement with U GRO Capital to provide secured business loans to Micro, Small & Medium Enterprises (MSMEs) units. As a part of tie-up Prest Loans will offer U GRO Capital's 'GRO Micro' product to its small businesses and MSME customers in tier 3 and tier 4 cities who lack the access to formal credit at affordable price without the requirement of too many documents.

### **FamPay Tie up with Visa Launched India's 1st Doodle Cards**

**FamPay in partnership** with VISA launched India's 1st numberless Visa prepaid card for teenagers with personalised doodles. This card will also be the 1st numberless card of Visa. The card will be available in 2 different designs such as the '**FamCard**' and '**FamCard Me**' and it will enable the teenagers to make NFC (Near-field communication)-enabled contactless payments on the Visa network in India.

### **LIC CSL Launched 2 Co-branded RuPay Credit Cards Powered by IDBI Bank – Lumine, Eclat**

LIC Cards Services Ltd (LIC CSL) in partnership with IDBI Bank launched 2 variants of co-branded **RuPay Credit Cards** powered by IDBI Bank such as **LIC CSL 'Lumine' Platinum Credit Card** and **LIC CSL 'Eclat' Select Credit Card**. Both the cards have a validity of 4 years and an interest-free credit period of up to 48 days with a credit limit.

### **DBS, Temasek Launched US \$500 Million Debt Financing Platform EvolutionX**

**DBS Group Ltd and Temasek Holdings** jointly launched a US \$500 million debt financing platform named **EvolutionX Debt Capital (EvolutionX)** to provide non-dilutive financing to growth stage technology-enabled companies across Asia, with a focus on China, India, and Southeast Asia. EvolutionX will invest in the digital economy, across sectors such as financial services, consumer, healthcare, education, and industrial development.

## **2021 Banking & Finance - August**

### **RBI IN NEWS**

#### **Rs 24,356 crore unsolicited deposits in SCBs; Performance-based challenge fund of Rs.8,000 cr recommended to States**

In accordance with the information provided by the Reserve Bank of India (RBI), the total amount of unclaimed deposits of Scheduled Commercial Banks (SCBs) was Rs. 24,356 crores, as on July 31, 2020. Unclaimed deposits have increased by Rs. 5,977 crores in the year 2020, as compared to the year 2019.

- ✓ 15<sup>th</sup> Finance Commission, in its latest report to the Centre, has recommended a performance-based challenge fund of Rs 8,000 crore to 8 states for incubation of new cities.

#### **IndusInd Bank got Empanelled as Agency Bank to RBI; RBI Imposed Rs 50.35 lakh Penalty on Janalaxmi Co-operative Bank**

Reserve Bank of India (RBI) has **empanelled IndusInd Bank**, the private sector lender, as an '**Agency Bank**' to facilitate transactions related to government (govt) businesses. Now, IndusInd Bank can handle transactions related to revenue receipts under Central Board of Direct Taxes (CBDT), Central Board of Indirect Taxes and Customs (CBIC) and Goods and Services Tax (GST) on behalf of the state/central govt.

- ✓ **Headquarters** of Indusland Bank is Pune, Maharashtra

RBI imposed a monetary penalty of **Rs 50.35 lakh on Janalaxmi Co-operative Bank, Nashik, Maharashtra** for non-compliance with directions issued by RBI on 'Placement of Deposits with Other Banks by Primary (Urban) Co-operative Banks' and 'Membership of Credit Information Companies (CICs)'.

### RBI Issued Framework for PSOs' Outsourcing of Payment and Settlement Activities

Reserve Bank of India (RBI) issued the framework to the non-bank **Payment System Operators' (PSOs)** Outsourcing of Payment and Settlement-related Activities (including onboarding customers, IT-based services, etc) to service providers.

- ✓ RBI has restricted the PSO's from outsourcing Core management functions such as risk management, information technology & information security management, internal audit, and determining compliance with KYC (Know Your Customer) norms.

### RBI Extended the Timeline for Banks to Implement Opening Current Accounts Norms till October 2021

Reserve Bank of India (RBI) extended the timeline for Banks to implement the revised rules on opening current accounts to 3 months till October 30, 2021. Now RBI allowed banks to open current accounts for customers who have not availed of any CC/OD facility in the bank and with exposure (in the bank) of less than Rs.5 crore. RBI also allowed banks to open a current account of customers with exposure between Rs 5 crore to Rs 50 crore.

### Highlights of the Third Bi-Monthly Monetary Policy of FY21-22

Reserve Bank of India's (RBI) 6-members Monetary Policy Committee (MPC) had met on 4th, 5th and 6th August 2021 and released its third bi-monthly monetary policy statement for FY22 (April 2021 – March 2022).

Category	Rates
<b>Policy Rates</b>	
Policy Repo Rate	4.00%
Reverse Repo Rate	3.35%
Marginal Standing Facility (MSF) Rate	4.25%
Bank Rate	4.25%
<b>Reserve Ratios</b>	
Cash Reserve Ratio (CRR)	4.00%
Statutory Liquidity Ratio (SLR)	18.00%

### RBI enhanced Collateral Free Loans to SHGs under DAY-NRLM to Rs 20 lakh from Rs 10 Lakh

On August 9, 2021, the collateral free loans to **self-help groups (SHGs)** provided under **Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM)** have been enhanced to Rs 20 lakh from Rs 10 lakh by Reserve Bank of India (RBI). Under this enhancement, for loans to SHGs up to Rs 10 lakh there will be no collateral and no margin will be charged, also, no lien should be marked against savings bank account of SHGs and no deposits should be insisted upon while sanctioning loans.

### Karnataka Bank got Empanelled as Agency Bank to RBI

Reserve Bank of India (RBI) has empanelled the Karnataka Bank as the 'Agency Bank' to facilitate transactions related to government (govt) businesses. RBI has allowed Karnataka Bank to handle transactions related to revenue receipts under the Central Board of Direct Taxes (CBDT), the Central Board of Indirect Taxes and Customs (CBIC) and Goods and Services Tax (GST) on behalf of the state/central govt.

Headquarters of Karnataka Bank is Mangalore, Karnataka.

### RBI Introduced Scheme to Penalize Banks for Cash Out in ATMs

Reserve Bank of India (RBI) introduced a scheme named '**Scheme of Penalty for non-replenishment of ATMs**' to levy monetary charges/Penalty on Banks & White Label ATM Operators (WLAOs) for cash-out (i.e., the non-availability of cash) in Automated Teller Machines (ATMs) due to non-replenishment of cash.

**Objective:** To ensure sufficient cash availability in the ATMs for public needs and overcome the inconvenience caused due to cash-outs in the ATM.

RBI imposed a monetary penalty of Rs.10 lakh on Gadhinglaj Urban Co-operative Bank Limited, Gadhinglaj, Maharashtra by exercising the powers vested in RBI under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) and Section 56 of the Act.

### RBI Issues Draft Proposals to Liberalise Overseas Investments Norms

Reserve Bank of India (RBI) has issued two draft documents viz, Foreign Exchange Management (FEM) (Non-debt Instruments – Overseas Investment (OI)) Rules, 2021 and FEM (OI) Regulations, 2021 by rationalizing the existing provisions that are governing overseas investment.

**Objective:** To liberalize the regulatory framework of overseas investments and promote ease of doing business.

### RBI Cancelled the License of Karnala Nagari Sahakari Bank

In August 2021, **the Reserve Bank of India (RBI)** cancelled the license of Karnala Nagari Sahakari Bank Ltd., Panvel, Maharashtra, due to the bank not having adequate capital and earning prospects to pay its present depositors in full. Along with the license cancellation, the bank is also prohibited from conducting the 'banking' business (including acceptance of deposits and repayment of deposits) as defined in **Section 56 of the Banking Regulation (BR) Act, 1949**.

### RBI Introduced Financial Inclusion Index

Reserve Bank of India (RBI) introduced the 'Financial Inclusion Index' (FI-Index) to measure the extent of financial inclusion across India. The FI-Index will be published annually in July month (for the financial year (FY) ending previous March). The annual FI-Index for the FY21 (period ending March 2021) is 53.9 as against 43.4 of FY17.

### RBI Allowed HDFC Bank to Issue New Credit Cards

Reserve Bank of India (RBI) had removed the restriction imposed on HDFC Bank after 8 months and allowed it to issue new credit cards. However, the restrictions on the bank's new offerings under its Digital 2.0 were not removed. On December 2, 2020, the RBI has stopped HDFC which has the largest credit card base in India from issuing new credit cards due to its series of digital banking outages.

### RBI Issued Revised Guidelines for Locker in Bank

Reserve Bank of India (RBI) has issued revised guidelines for both new and existing Safe Deposit Locker and Safe Custody Article Facility with the banks. At present, banks do not have any liability towards lockers. The guidelines would come into effect from January 1, 2022. The banks are directed to incorporate a clause in the 'locker agreement' for prohibiting the hirer from keeping anything illegal or hazardous in lockers.

### RBI Introduced Automation System 'PRISM' to Strengthen Supervision

Reserve Bank of India (RBI) has introduced a web-based and end-to-end workflow automation system named 'Platform for Regulated Entities for Integrated Supervision and Monitoring' (PRISM) to strengthen the compliance of the entities that are supervised by RBI.

✓ **Objective:** To make continuous supervision of entities for – earlier identification of risks; conduct of supervisory actions; and strengthen their internal resilience.

## RBI Released Recommendations of Expert Committee on UCBs; RBI to Launch GAAR Regulations for Round-Tripping

In August 2021, the **Reserve Bank of India (RBI)** released the recommendation report of the Expert Committee on Primary (Urban) Co-operative Banks (UCBs) under the chairmanship of N. S. Vishwanathan, which was constituted by RBI to review the issues of UCBs and to provide a road map for strengthening the sector.

- ✓ RBI has made changes in the existing regulation of foreign investment and released the draft rule to discourage round-tripping. As per the draft, the investment made in an entity outside India, which in turn invests in India to avoid tax will be treated as 'round-tripping'.

## RBI Imposes Rs 27.5 Lakh Penalty on Dhanlaxmi Bank

Reserve Bank of India (RBI) has imposed a penalty of Rs 27.5 Lakh on Dhanlaxmi Bank, Thrissur, Kerala for the violation of certain provisions of the Depositor Education and Awareness Fund Scheme. Statutory Inspection for Supervisory Evaluation (ISE) was conducted by RBI with reference to its financial position as of 31st March 2020.

## RBI Empaneled South Indian Bank as Agency Bank

Reserve Bank of India (RBI) has empaneled South Indian Bank, the Kerala based private sector lender, as an 'Agency Bank' to facilitate transactions related to Central and State government on behalf of the RBI. In February 2021, RBI removed the ban imposed (in 2012) over 'Appointing the Scheduled Private Sector Banks as Agency Banks of RBI' and further, it revised the guidelines and authorized Scheduled Private Sector Banks as agency banks of RBI for conducting govt businesses.

## RBI Imposed Rs 15 lakh Penalty on Baghat Urban Co-operative Bank

Reserve Bank of India (RBI) has imposed a penalty of Rs 15 lakh on Baghat Urban Co-operative Bank Ltd, Solan, Himachal Pradesh for violation of certain norms related to non-identification of Non-Performing Assets. RBI also imposed a penalty of Rs 1 lakh on Delhi Nagrik Sehkari Bank Ltd, New Delhi, for non-compliance with certain directions issued by it.

## RBI: PIDF scheme Extended to Street Vendors under PM SVANidhi in tier 1, 2 centres; Imposes penalty on 2 co-op banks, 1 NBFC

Reserve Bank of India (RBI) has included street vendors part of the **PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi Scheme)** in tier-1 and tier-2 centres as beneficiaries under the Payments Infrastructure Development Fund (PIDF) Scheme. The decision is taken to promote the digital transactions at the grass root level.

- ✓ RBI imposed a monetary penalty of Rs 5 lakh on Seyad Shariat Finance Limited, Tirunelveli, Tamil Nadu.
- ✓ RBI imposed a monetary penalty of Rs 2 lakh on The Muslim Co-operative Bank Limited, Pune, Maharashtra for non-compliance with the directions issued by RBI on KYC.
- ✓ RBI imposed a monetary penalty of Rs 3 lakh on Jijamata Mahila Sahakari Bank, Pune, Maharashtra...[Click here for more detail...](#)

## RBI Issued Master Direction on PPIs

Reserve Bank of India (RBI) issued Master Directions on Prepaid Payment Instruments, 2021 (MD-PPIs, 2021), which are applicable to all Prepaid Payment Instrument (PPI) Issuers and System Participants. The MD-PPIs, 2021 involves the eligibility criteria and the conditions of use for Payment System Operators (PSOs) involved in the issuance and operation of PPIs in India.

**Objective:** To provide a framework for authorisation, regulation, and supervision of entities issuing and operating PPIs in India.

### RBI Increased the Indo-Nepal Remittances Transaction Cap to Rs 2 lakh from Rs 50,000; RBI Increased the Incentives Paid to the Banks for Coin Distribution

Reserve Bank of India (RBI) has increased the ceiling on remittances per transaction from India to Nepal from Rs 50,000 to Rs 2 lakh. RBI has also removed the limit of 12 remittances/year per remitter. The remittance ceiling was increased by RBI in the exercise of the power conferred under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007.

- ✓ RBI has increased the incentives being paid to the banks for distribution of coins to the general public from Rs 25/bag to Rs 65/bag.

### RBI Extended the Scope of Tokenisation to Laptops, Wearable Devices

Reserve Bank of India (RBI) extended the scope of 'tokenisation' to several consumer devices such as laptops, desktops, wearables (like wristwatches and bands), and Internet of Things (IoT) devices to make card transactions more safe, secure, and convenient for the users. RBI has extended the scope through the exercise of powers under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

## BANKING TECHNOLOGY

### SBI Launches 'SIM Binding' Feature in YONO, YONO Lite

State Bank of India (SBI) has launched a '**SIM Binding**' feature in its digital banking platform **YONO (You Only Need One), YONO Lite**. The technology allows Only one user per device with a Registered Mobile Number (RMN). It is aimed at protecting customers from various digital frauds.

## LOANS ISSUED BY BANKS

LOANS ISSUED BY	RECEIVED BY	AMOUNT	KEY NOTES
Asian Development Bank (ADB)	Jharkhand	USD 112 million (INR 831 Crore)	Asian Development Bank (ADB) has sanctioned loans worth USD 112 million (INR 831 Crore) to finance Urban Water Supply Infrastructure Projects in 4 towns (Ranchi, Hussainabad, Jhumri Telaiya and Medininagar) of Jharkhand. This is the ADB's 1st urban sector project in Jharkhand. The total cost of the project is USD 160 million, out of which USD 48 million will be funded by the Government of Jharkhand.
World Bank	Government of India	US \$250 million (Rs 1,855 crore)	For the Second Dam Rehabilitation and Improvement Project (DRIP-2) Phase II, the world's largest dam management program. The agreement is the 1st phase of 'DRIP Phase II and Phase III'. The loan will be provided from the International Bank for Reconstruction and Development (IBRD).
Asian Development Bank (ADB)	Maharashtra	\$300 million (~INR 2227 Crore)	<b>Asian Development Bank (ADB)</b> approved an additional financing of a <b>\$300 million (~INR 2227 Crore)</b> loan for the ongoing Maharashtra Rural Connectivity Improvement Project that is upgrading rural roads to all-weather

			<p>conditions and connecting rural areas with markets and services in Maharashtra.</p> <ul style="list-style-type: none"> <li>✓ The project, approved in August 2019, is being executed by the Maharashtra Rural Road Development Association to rebuild and rehabilitate roads and bridges in Maharashtra destroyed by the devastating floods in August 2019.</li> </ul> <p>Headquarters of Asian Development Bank (ADB) is Metro Manila, Philippines.</p>
International Finance Corporation (IFC), the investment arm of World Bank	Indospace Logistics Parks III LP	\$75 million (Rs 557 crore)	International Finance Corporation (IFC), the investment arm of World Bank, has extended loan support of \$75 million (Rs 557 crore) to Indospace Logistics Parks III LP, a \$580-million vintage fund for developing logistics and industrial parks across India. Indospace will use the investment to develop an efficient logistics ecosystem in India and facilitate domestic and foreign trade.
Asian Development Bank (ADB)	India	USD 500 million	To expand the metro rail network in Bengaluru, Karnataka with the construction of two new metro lines totaling 56 kilometers Outer Ring Road-Kempegowda International Airport corridor with 30 stations. Additional \$2 million technical assistance is being provided by the ADB to help state government formulate Urban Development Projects.
Export and Import Bank (EXIM) of India	Guinea	USD 210.73 million (INR 1567 crore)	<p>For drinking water projects, hospital building and solar projects in the country. It includes USD 170 mn Line of Credit (LoC) for strengthening the Grand Conakry-Horizon 2040 drinking water supply project in Guinea.</p> <ul style="list-style-type: none"> <li>✓ It includes drinking water supply project, construction and upgradation of regional hospitals in Kankan and Nzerekore and financing two solar projects in the country.</li> </ul> <p><b>Headquarters of EXIM Bank</b> is Mumbai, Maharashtra.</p>
USAID, DFC & KMB	Women Entrepreneurs and Micro, Small	USD 50 Million (INR 372 crore)	<b>United States Agency for International Development (USAID)</b> and the US International Development Finance

	& Medium Enterprises (MSMEs) across India		<p>Corporation (DFC) have partnered with <b>Kotak Mahindra bank (KMB)</b> for USD 50 Million (INR 372 crore) loan Guarantee for Women Entrepreneurs and Micro, Small &amp; Medium Enterprises (MSMEs) across India.</p> <ul style="list-style-type: none"> <li>✓ KMB will extend its on-lending credit facilities to non-bank lenders operating in the MSMEs and microlending space.</li> </ul> <p>Headquarteres of Kotak Mahindra Bank is Mumbai, Maharashtra.</p>
Indifi & Facebook India	Small Businesses	INR 5 lakh to 50 lakhs	<p>Indifi, technology-based lending platform has partnered with Facebook India to launch 1st of its Kind Small Business Loans Programme. It will provide loans worth INR 5 lakh to 50 lakhs for Small Businesses advertising in Facebook's Platform. The loans will bear an interest rate of 17-20% and 0.2% additional reduction in the interest rate for the businesses owned by Women either partly or Wholly.</p>

### AGREEMENTS & MoUs SIGNED

BANKS	SIGNED WITH	KEY NOTES
Indian Bank	Society for Innovation and Entrepreneurship (SINE), IIT (Indian Institute of Technology) Bombay	<b>Aim</b> - To provide a credit facility to the startups and small businesses through its loan product 'IND Spring Board'. Under the MoU, SINE, IIT Bombay will support the bank by referring the start-ups and the Ministry of Micro, Small and Medium Enterprises (MSMEs) that are in need of financial assistance (based on their credentials and past experience).
Bank of Baroda (BoB)	Andhra Pradesh	To assist & finance the entire 14,000 beneficiaries for setting up Aqua Units under AP Government's 'Fish Andhra' scheme. AP stands 1st in the country in the fisheries sector both in terms of production and total value of aqua, it contributes 8.67 % of State's GDP.
Punjab National Bank	National Fisheries Development Board (NFDB)	To extend financial assistance to the fisheries sector through the bank's 10,641 branches, 13,781 delivery channels and 12,518 Business Correspondents. The PNB's Hyderabad Zonal Office will be the nodal office for all the technically approved proposals received by NFDB across the country.
Indian Bank	NSRCEL (N S Raghavan Centre for Entrepreneurial Learning)	The entrepreneurship Centre of Excellence at the Indian Institute of Management Bangalore (IIM-B) to provide funding for identified startups under Indian Bank's 'Ind Spring Board' Scheme. <ul style="list-style-type: none"> <li>✓ The funding will help start-ups in meeting their working capital requirements for growth.</li> </ul>

		Headquarters of Indian Bank is Chennai,Tamilnadu.
IDFC FIRST Bank	Indian Navy	To offer the special defence savings account named ' <b>Honour FIRST</b> ' for the serving personnel and veterans of the Indian Navy. MoU was signed at New Delhi between Commodore Neeraj Malhotra, Commodore – Pay and Allowances, Indian Navy and senior officials of IDFC FIRST Bank. It is a zero-balance salary account and it earns up to 5 percent interest per annum and no minimum balance is required for the account.
North Eastern Development Finance Corporation Ltd (NEDFi)	Federation of Industries of North Eastern Region (FINER)	To promote entrepreneurship, generate employment and create empowerment of weaker sections. NEDFi celebrated its 26 <sup>th</sup> Foundation Day on 9 <sup>th</sup> August, 2021. It has provided loans to over 7000 projects in 8 states of North-Eastern Region (NER).
National Bank for Agriculture and Rural Development (NABARD)	State Bank of India (SBI) and Jammu and Kashmir Gramin Bank (JKGB) in the Union Territory (UT) of Jammu and Kashmir (J&K) and the UT of Ladakh.	<b>Objective:</b> To finance 1000 Joint Liability Groups (JLGs) and to enhance the flow of credit to tenant farmers, oral lessees, sharecroppers, Small and Marginal farmers (SF/MF), etc. Headquarters of NABARD is Mumbai, Maharashtra.
State Bank of Mauritius-India	Agritech start-up Arya	Agritech start-up and India's 1 <sup>st</sup> Post Harvest Solutions Platform, Arya Collateral Warehousing Services Private Ltd (Arya) made a partnership with State Bank of Mauritius-India (SBM Bank India) for commodity financing. ✓ <b>Objective:</b> To offer easy on-time customised finance solutions to agri-traders and agri-entrepreneurs across the country. Through the partnership, Arya will work with SBM Bank India to ease the financing process for providing instant credit to the clients in the agriculture value chain.
Indian Bank	Paralympic Committee of India (PCI)	<b>Public Sector Bank (PSB), Indian Bank</b> , signed a year-long memorandum of understanding (MoU) with the Paralympic Committee of India (PCI) to become one of the Banking Partners ahead of the Paralympic Games 2020 in Tokyo, Japan. ✓ In this regard, the bank will provide financial assistance to Paralympic athletes to prepare for the sporting events in domestic as well as global platforms. Headquarters of Indian Bank is Chennai, Tamil Nadu.
PayNearby	Visa and RBL Bank	To launch SoftPoS and mPoS for its over 1.5 million retail networks. With this, as per PayNearby, it becomes the first company to launch an all-inclusive digital package for retailers.
NPCI	Mashreq Bank	NPCI International Payments Ltd (NIPL), the international arm of National Payments Corporation of India (NPCI), has partnered with the UAE (United Arab Emirates)-based Mashreq Bank to provide the Unified Payments Interface (UPI), the mobile-based real-time payment system, in the UAE.The partnership will support more than 2 million Indians, who are

		travelling to the UAE to make payments using UPI for their purchases in shops and merchant stores across UAE. <b>Headquarters of NPCI International Payments Limited (NIPL)</b> is Mumbai, Maharashtra.
HDFC Bank Ltd, India's largest private bank	Paytm, digital payment company	The partnership made an agreement to share their network and provide digital lending and payment solutions for consumers and merchants across India. This is to create digital transformation in semi-urban and rural India, and involve more people in the formal banking system. The headquarters of HDFC Bank Ltd is Mumbai, Maharashtra.
Google	Setu	<b>Aim</b> -The partnership made to enable its users to open fixed deposits (FDs) through Google Pay. At first, Google plans to offer FDs of Equitas Small Finance Bank (SFB) for 1 year. Ujjivan SFB and AU SFB will also be included in future. The fintech Setu which is specializing in providing Application Programming Interfaces (APIs) has already created the beta version of the API for offering FDs.
MeitY Startup Hub (MSH)	Paytm	<b>MeitY Startup Hub (MSH)</b> , under the aegis of Ministry of Electronics and Information Technology (MeitY) has signed a MoU with Paytm, a digital payment and financial technology, to support deep tech startups. The collaboration also focuses on fostering partnership with incubators, accelerators and investors.
Jana Small Finance Bank (Jana SFB)	HCBL Co-operative Bank and Mysore Merchants Co-operative Bank	✓ The agreement made under the bank sponsorship programme of the Reserve Bank of India (RBI) to provide digital infrastructure and payments services to the Co-operative banks. This partnership marks the Jana SFB's 1st partnership with co-operative banks to provide IMPS (Immediate Payment Service) services.

## OTHER BANKING NEWS

### SEBI Ordered Forensic Audit of MSE's Accounts

SEBI (Securities and Exchange Board of India) has ordered a forensic audit into the workings of the Metropolitan Stock Exchange of India (MSEI) Ltd formally known as MCX SX, on allegations of mismanagement and financial irregularities. A forensic audit will detect any mis-statement in financials, mis-appropriation or diversion of funds.

### SEBI revised Minimum Application Value, Trading Lot for REITs & InvITs

**Securities and Exchange Board of India (SEBI)** reduced the minimum application value of real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) to the range of Rs 10,000-15,000 from earlier requirement of Rs 50,000 for REITs and Rs 1 lakh for InvITs. It also revised the trading lot to one unit for REITs and InvITs from earlier 100 units for initial listing.

✓ Headquarters of SEBI - Mumbai, Maharashtra

### Suryoday SFB Launched 'Health and Wellness Savings Account'

**Suryoday Small Finance Bank (SSFB)** has launched a Savings Account named '**Health and Wellness Savings Account**' to support under medical emergencies. The account offers top-up health insurance of Rs 25 lakhs (for Self and Family), annual healthcare package, and on-call emergency ambulance medical care services (upto distance of 20 Kms till 31 March 2022).

### SEBI allows Payments Banks to act as Investment Bankers

Securities and Exchange Board of India (SEBI) allowed payments banks to carry out the activities of investment bankers in order to ease the access for investors to participate in public and rights issues by using various payment avenues.

- ✓ Also, Non-scheduled payments banks, which have prior approval from the Reserve Bank of India (RBI), will be eligible to act as Bankers to an Issue (BTI) with regard to the conditions stipulated in the BTI rules.

### NABARD Partners with CWC to Offer Storage Facility for FPOs

National Bank for Agriculture and Rural Development (NABARD) has partnered with the Central Warehousing Corporation (CWC) through **the NABFoundation**, to offer storage facilities for the Farmers Producer Organisation (FPOs) at lower rates for the next 5 years.

- ✓ Under this partnership, the state-of-the-art storage facilities of CWC will be made accessible for the 5000+ FPO's across India.

### SEBI Board Approved List of Key Amendments, Initiatives

The board of Securities and Exchange Board of India (SEBI) undertook different key decisions at the board meeting on August 06, 2021, regarding the amendments and frameworks related to Accredited Investors, mutual fund (MF) regulations, Alternate Investment Fund (AIF) and others.

#### List of Approved Amendments and frameworks:

- ✓ Introduced Framework for Accredited Investors
- ✓ Amendment to SEBI (Mutual Funds) Regulations, 1996
- ✓ Relaxed the Limit of Sweat Equity Norms on New-age Tech Companies
- ✓ A shift from 'Promoter' to 'controlling shareholders'
- ✓ Amendment to SAST Regulations
- ✓ Amendment to SEBI (AIF) Regulations, 2012
- ✓ Relaxed the lock-in period for promoters' investments..[Click here for full detail...](#)

### World Bank launches new Cybersecurity Multi-Donor Trust Fund

World Bank and partners announce a New Global Fund for Cybersecurity named Cybersecurity Multi-Donor Trust Fund under the broader Digital Development Partnership (DDP) umbrella program. It aims to better define, understand, and systematically roll out the cybersecurity development agenda.

- ✓ The launch of the Trust Fund has been made possible with donor contributions from the countries of Estonia, Germany, Japan, and The Netherlands.
- ✓ **Headquarters of World Bank** is Washington, D.C, United States of America.

### SIDBI launches Swavalamban Challenge Fund to Promote Entrepreneurship

Small Industries Development Bank of India (SIDBI) in collaboration with Foreign, Commonwealth & Development Office, United Kingdom (FCDO UK) has launched the Swavalamban Challenge Fund (SCF) to promote entrepreneurship and also digital portal (<https://scf.udyamimitra.in>) was launched by Secretary, Ministry of Micro, Small & Medium Enterprises (M/o MSME) Bidyut Bihari Swain. Headquarters of SIDBI - Lucknow, Uttar Pradesh.

### NSE, IBBI ink pact for research collaboration in Insolvency and Bankruptcy

National Stock Exchange (NSE) partnered with Insolvency and Bankruptcy Board of India (IBBI) to enhance research efforts in the area of insolvency and bankruptcy. This decision has been taken because the efficient insolvency and bankruptcy resolution system enables timely resolution of financial stress, balances interests of all stakeholders, promotes entrepreneurship and increases availability of credit at optimal costs.

Headquarters of IBBI is New Delhi.

### **CBoI made Co-Lending Partnership with DFL to Offer Gold Loans**

In August 2021, the Central Bank of India (CBoI) and Dhanvarsha Finvest Ltd (DFL) entered into a strategic co-lending partnership to offer loans against gold ornaments under priority sector lending to Micro, Small and Medium Enterprise (MSME) borrowers. The loans under the co-lending partnership will be offered in the funding ratio of 80:20. 80 percent of the gold loans with CBoI and 20 percent with DFL.

### **SEBI Amended LODR Regulations; Set Norms for Independent Directors**

In August 2021, the Securities and Exchange Board of India (SEBI) amended the SEBI (Listing Obligations and Disclosure Requirements (LODR)) Regulations, 2015 named LODR (Third Amendment) Regulations, 2021. It modified certain norms related to the process of appointment/removal of Independent directors (IDs).

**Objective:** To enable the transparent appointment/removal of IDs and overcome corporate fraud and promoters' mismanagement.

### **Equitas SFB Launched Fintech Accelerator Programme – 'Equitech'**

In August 2021, the Equitas Small Finance Bank (SFB) launched 'Equitech', a fintech accelerator programme for the start-up entrepreneur's ecosystem to provide the required legal and regulatory support for the start-ups through its experts and venture capitalists.

### **ADB ties up with IIFL Home Finance for Green Housing in India**

**Asian Development Bank (ADB)** has joined hands with price housing financier IIFL (India Infoline) Home Finance Ltd, subsidiary of IIFL home finance to reduce carbon emissions and preserve water and vitality in India. IIFL is the technical assistance of the program.

The total cost of the project is \$1 million & ADB will fund through its Urban Climate Change Resilience (UCCR) Trust Fund, IIFL, will contribute \$0.15 million towards inexpensive housing in India.

### **RBL bank selects AWS to Strengthen its AI capabilities**

**RBL Bank (formerly known as Ratnakar Bank Ltd)** has selected Amazon Web Services (AWS), the Cloud Computing arm of Amazon as its Preferred Cloud Provider to strengthen its Artificial Intelligence (AI)-based Banking Solutions and bring digital transformation at the bank.

✓ RBL Bank is investing in AI capabilities to implement use cases across multiple segments, including risk, customer service, Human Resources (HR) and operations.

### **PPBL Became the 1st Bank to Cross 1 Crore FASTags**

**Paytm Payments Bank Ltd (PPBL)** became the 1<sup>st</sup> bank in India to achieve the milestone of issuing 1 crore FASTags. It has 28 percent share as FASTag issuer bank. As per the data of National Payments Corporation of India (NPCI), around 3.47 crore FASTags were issued by all banks together till the end of June 2021.

### **10 Top banks Launched SLMA to Support Secondary Loan Market**

The 10 major banks including **State Bank of India (SBI)** and **ICICI bank** formed a Secondary Loan Market Association (**SLMA**) with an online platform for trading corporate loans in the secondary market. Sanjay Srivastava is the Chairman of SLMA.

SLMA, which is a self-regulatory body, was formed on the recommendation of the Reserve Bank of India's (RBI) Task Force on the Development of Secondary Market for Corporate Loans. SLMA's website and logo were digitally launched by Saurav Sinha, Executive Director, RBI.

### SEBI Merged 2 Debt securities Listing Regulations into Single One

Securities and Exchange Board of India (SEBI) has merged 2 debt securities regulations viz, **SEBI (Issue and Listing of Debt Securities) Regulations, 2008** and SEBI (Non-Convertible Redeemable Preference Shares) Regulations, 2013 into a single Regulation called – SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

- ✓ Under the new regulation, SEBI issued a framework for the issuance, listing and trading of Non-convertible Securities (NCS), Securitised Debt Instruments, Security Receipts, and Commercial Paper (CP).

### BADLAAV Humse Hai: AU Bank unveils mega Brand Campaign and launches AU 0101

AU Small Finance Bank unveiled its first integrated marketing communication Campaign, titled '**BADLAAV Humse Hai**' that will showcase the bank's passion for innovation and represent it as a changemaker in the Indian banking sector.

It also launched its avant-garde digital banking platform AU 0101, a full-suite of banking services for its customers including face-to-face interaction with a banker over a video call.

### EXIM Bank to provide LoC of USD 100 Million to Mauritius

Export and Import bank (EXIM) of India will provide Line of Credit (LoC) of **USD 100 Million (INR 742.6 Crore)** to the Government of Mauritius for procurement of Defense items.

- ✓ Under the agreement, the Mauritius Government shall buy goods, works and services of value of at least 75% from any seller in India, the remaining can be procured from Outside India.
- ✓ Headquarters of EXIM Bank is Mumbai, Maharashtra.

### DBS Bank India & ODeX Offers Credit Solutions to Freight Forwarders in Shipping Industry

DBS Bank India made a partnership with ODeX India Solutions Pvt. Ltd to introduce '**ODeX Pay Later Solutions**' powered by DBS to provide credit solutions to freight forwarders in shipping industry and also to enable the ODeX customers to access comprehensive payment and financing solutions for all their ocean shipping transaction.

### BoM Tops PSU Banks in Q1 FY22 in Terms of Loan, Saving Deposit Growth

As per the data of the **Bank of Maharashtra (BoM)**, BoM emerged as the top performer among Public Sector Undertaking (PSU) banks in terms of loan and savings deposit growth in the first quarter (Q1) of FY22 i.e (April to June 2021).BoM recorded a 14.46 percent increase in gross advances at Rs 1,10,592 lakh crore. It was followed by Punjab & Sind Bank with a 10.13 percent growth in advances.

### SEBI Set up Panel to Analyse the Shift of Trade Settlement Cycle from T+2 to T+1

Securities and Exchange Board of India (SEBI) has set up a panel of experts to analyze the process of shifting India's trade settlement cycle from the current T+2 (Trade plus 2 days) to T+1 (Trade plus 1 day).The panel consists of experts from exchanges, clearing corporations and depositories.The shift to T+1 will reduce the settlement time and risk involved and increase the liquidity and trade turnover.

### ICICI, StanChart, HSBC Entered into India's 1st Swaption Deal

ICICI Bank had executed India's 1st set of 'swaption' deals with HSBC and Standard Chartered Bank.ICICI Bank and the two overseas lenders transacted 'swaptions' on Overnight Index Swap (OIS) for a total notional sum of Rs 700 crore.The Reserve Bank of India issued guidelines for 'swaption' deals in June 2019.

### Kotak Mahindra Bank introduces a DIY Digital Repayment platform

Kotak Mahindra Bank Limited (KMBL) in partnership with Creditas Solutions launched a secure Digital Repayment 'Neo Collections' Platform for missed loan repayments named 'Do It Yourself (DIY)' to

provide a convenient repayment experience for customers and increase efficiency. The repayment platform was powered by Artificial Intelligence (AI) and Machine Learning (ML).

- ✓ **Headquarters of Kotak Mahindra Bank** is Mumbai, Maharashtra.

### **NABARD's Loan Extension in FY21 Rose by 25.2%**

As per the annual report of the **National Bank for Agriculture and Rural Development (NABARD)** for FY21, the total loans and advances extended by NABARD in FY21 grew by 25.2 percent year-on-year (YOY) compared with 11.5 percent of FY20.

- ✓ The balance sheet size of NABARD reached Rs 6.57 lakh crore as of March 31, 2021, mainly contributed by non-idle (earning) assets.

NABARD achieved a record YOY growth of 24 percent in its total assets.

### **NABARD extended Rs 24.90 lakh grant for IMFFS project in Cuddalore, TN**

National Bank for Agriculture and Rural Development (NABARD) extended Rs 24.90 lakh grant for Integrated Mangrove Fishery Farming System (IMFFS) project in Cuddalore district of Tamil Nadu. This project is implemented by the S. Swaminathan Research Foundation (MSSRF) to enhance the adaptive capacity of the fishing community.

### **ICICI Bank Germany Launched Blocked Account for Indian Students in Germany**

ICICI Bank Germany, a part of ICICI Bank, launched a 'ICICI Bank Germany Student Blocked Account' for the Indian students who are aspiring to study in Germany. It is the 1st bank to offer the dual advantage of a 'Blocked Account' along with a complimentary Current Account (within the single account) to the Indian students.

- ✓ **Blocked account** - The students who are aspiring to study in Germany need to have this account with a required amount to get a Balance Confirmation Certificate (BCC), a mandatory requirement for a Student Visa in Germany.

### **Citibank Got Approval from IFSCA to Open Banking Unit at GIFT City**

US-based **Citibank NA** received the approval from International Financial Services Centres Authority (IFSCA) to open a banking unit at India's **GIFT IFSC (Gujarat International Finance Tec-City - International Financial Services Centre)** at Gandhinagar, Gujarat to carry out offshore transactions.

- ✓ Recently, Deutsche Bank became the 1<sup>st</sup> German bank to set up its IFSC banking unit at GIFT IFSC.

### **SEBI Approved Bajaj Finserv to Launch MF Business**

In August 2021, the Securities and Exchange Board of India (SEBI) provided the in-principle approval to Bajaj Finserv Ltd for launching the mutual fund (MF) business. As per the SEBI's regulations, the company would now set up an Asset Management Company (AMC) and the Trustee Company directly or indirectly (i.e. by itself or through its subsidiary) to sponsor MF.

### **SEBI Banned Kotak Mahindra AMC from Launching FMP for 6 Months**

In August 2021, the **Securities and Exchange Board of India (SEBI)** banned Kotak Mahindra Asset Management Company (AMC) Ltd from launching new Fixed Maturity Plan (FMP) schemes for the next 6 months and imposed a penalty of Rs 50 lakh.

**Cause of the ban:** The investors of certain FMPs launched by Kotak Mahindra Mutual Fund were not paid their full proceeds based on the declared Net Asset Value (NAV) as on their respective maturity dates.

### **FREO Launched Savings Account 'Freo Save' in Partnership with Equitas SFB**

FREO, India's 1st credit-led Neobank, made a partnership with Equitas Small Finance Bank (SFB) and launched a zero-balance savings account named 'Freo Save' for its customers. The account will offer a 7 percent interest rate on a minimum balance of Rs 1 lakh.

The account will also provide seamless integration with **UPI (United Payment Interface)** to make easier funds transfer and bill payments. It would also help the customers to build a better credit score.

### **Karnataka Bank Launched "KBL FASTag", for seamless toll deduction**

Karnataka Bank launched its KBL FASTag in association with the National Payment Corporation of India (NPCI) and M/s Worldline, the FASTag processor. KBL FASTag is a prepaid payment instrument that offers seamless movement of vehicles at toll plazas across India through automatic deduction of the toll amount.

### **Decimal Technologies & Ujjivan SFB Partners to Digitise Loan Origination with Saarathi**

Ujjivan Small Finance Bank (Ujjivan SFB) Limited has entered into partnership with Decimal Technologies, India's leading fintech firm, under which the Ujjivan SFB and its channel partners will use Saarathi, digital lending platform of Decimal technologies.

- ✓ This is the 1st ever banking tie up of Decimal technology in this model.
- ✓ This partnership will enable the Ujjivan SFB to digitize its loan sourcing through its sales force and Direct Selling Agents(DSAs).

### **LoanTap Collaborates with SBM Bank & Rupay to Launch 1<sup>st</sup> LIMITLESS Prepaid Card**

LoanTap, a digital lender, launched its 1st LIMITLESS Credit line backed Prepaid Card in partnership with SBM Bank (State Bank of Mauritius) as a Banking Partner and RuPay as the Payment Network. The card offers a Buy Now Pay Later (BNPL) facility and enables customers to convert their outstanding into easy EMIs.

### **IIMA Launched CDT in Partnership with Bank of America**

Indian Institute of Management Ahmedabad (IIMA) has partnered with Bank of America to launch a Centre for Digital Transformation (CDT).

**Objective:** To become a knowledge hub for academia, policymaking, and the private sector by facilitating digital transformation and innovation research.

## **FINANCE NEWS**

### **IMF Governors approved its largest US\$650bn SDR allocation**

In order to boost global liquidity and to curb COVID-19 impact, the Board of Governors of the International Monetary Fund (IMF) has approved a general allocation of Special Drawing Rights (SDRs) equivalent to US\$650 billion (about SDR 456 billion) w.e.f. August 23, 2021. It is the largest SDR allocation in the history of the IMF.

### **India Extends USD 1 million aid to Zimbabwe to help tackle Climate Shocks**

The government of India provides USD 1 million aid to Zimbabwe under United Nations World Food Programme(WFP). This aid will help to tackle affected populations due to climate shocks. It will help in climate resilient agriculture in Zimbabwe. Increasing small grain production and market access and combating climate shocks.

**Note** -United Nations declares 2023 International Year of Millets.

### Afcons Signed a \$530-million Infrastructure Project in Maldives

Afcons Infrastructure Ltd, an infrastructure arm of Shapoorji Pallonji Group from India signed an agreement with the Republic of Maldives for a \$530 million infrastructure project named '**Greater Male Connectivity Project**' (GMCP) which is the largest infrastructure project in the Maldives.

- ✓ The project will be funded by the Exim Bank of India under the Indian grant and Line of Credit (LoC) scheme.

### PhonePe Launched UPI-based AutoPay Functionality for MF SIP Investments

PhonePe launched the UPI based AutoPay functionality for its Mutual Fund (MF) Systematic Investment Plans (SIPs) offerings, became the 1<sup>st</sup> digital investment platform in India to introduce such a feature.

UPI AutoPay will enable its customers to set up their MF SIPs in 3 steps:

- ✓ Selecting the fund, Entering the monthly SIP investment amount, and Authentication with a UPI PIN to make regular investments.

### SBI General ties up with Manipal Business Solutions to expand reach in Rural Areas

**SBI (State Bank of India) General Insurance** collaborated with Manipal Business Solutions, the promoter of SahiPay to expand its non-life penetration in rural areas.

- ✓ As SahiPay provides digital and financial services in the semi-urban and rural parts, SBI General will utilize this customer base to maximise its non-life penetration in rural areas by providing a number of non-life insurance solutions.

### ICICI Prudential Life Became 1<sup>st</sup> Insurance in India to Integrate NPCI's UPI AutoPay

ICICI Prudential Life Insurance Company Ltd has partnered with the **National Payments Corporation of India (NPCI)** and integrated NPCI's UPI (Unified Payment Interface) AutoPay platform into its system to enable its customers to make instant automated recurring premium payments of insurance policies.

- ✓ Through this, it became the 1<sup>st</sup> life insurance company in India to provide a UPI AutoPay facility to its customers.

### GyanDhan Received NBFC Licence; Plans to Disburse Rs 650 crore in FY22

GyanDhan, India's 1<sup>st</sup> education financing platform has received a Non-Banking Financial Company (NBFC) license from the Reserve Bank of India (RBI). It plans to disburse Rs 650 crore worth of education loans in FY22, in which it has Rs 50 crore for domestic short-term courses offered by various ed-tech players and coaching institutes.

### SBI Payments, Hitachi Payment Services Partnered for e-RUPI

SBI Payments partnered with Hitachi Payment Services to introduce **e-RUPI** transactions on the **Yono SBI Merchant app**. Under the partnership, the Hitachi Payment Services will support SBI Payments in merchant on-boarding and merchant transaction settlements for e-RUPI.

**Objective:** To enable the merchants to use the 'UPI Voucher' feature on the Yono SBI Merchant App to accept prepaid UPI e-vouchers.

### NSE IFSC Appointed BSO as its 1<sup>st</sup> International Connectivity Partner to Connect Global Investors

**NSE International Exchange (NSE IFSC) Ltd**, a wholly-owned subsidiary of the National Stock Exchange of India Ltd (NSE) has appointed BSO, a global pioneering infrastructure and connectivity provider as its 1<sup>st</sup> official international approved connectivity partner i.e. International Network Carrier (INC).

**Objective:** To meet increased market demand and support trading firms with secure, low-latency access to the rapidly emerging markets.

## CoinDCX becomes India's first Crypto Unicorn

CoinDCX has become the first Indian cryptocurrency exchange to grab the title of 'unicorn' with valuation to \$1.1 billion (Rs 8,150 crore). The exchange achieved this status after a \$90-million (Rs 668 crore) series-C funding round, led by Facebook co-founder Eduardo Saverin's B Capital. It should be noted that Unicorns are startups with a valuation of \$1 billion or more.

## IIFL Finance partners with FinBox to offer Digital Credit Products to Merchants

**IIFL (India Infoline Limited) Finance** has partnered with Bengaluru (Karnataka) and Gurugram (Haryana)-based **FinBox** to offer digital credit products to its merchants, B2B e-commerce traders by using FinBox's embedded buy-now-pay-later (BNPL) and working capital credit products.

- ✓ As a part of partnership, IIFL and FinBox will disburse Rs 1,000 crore loans over the next 2 quarters, through a completely digital model.

## KreditBee Launched Virtual Prepaid Card 'KreditBee Card' in RuPay Platform

KreditBee, the digital lending platform, in partnership with RuPay and RBL Bank launched a virtual prepaid card named 'KreditBee Card' in RuPay platform.

**Objective:** To provide the unserved and underserved banking customers with an access to short-term liquidity with multiple repayment options.

## RuPay Launched Campaign #FollowPaymentDistancing to Promote Contactless Payments

In August 2021, the National Payments Corporation of India (NPCI) announced a strategic campaign named #FollowPaymentDistancing by RuPay to promote and encourage contactless payments among customers in unpredictable times like COVID-19.

Headquarters of NPCI is Mumbai, Maharashtra.

## GIC Re to Shut Down Dubai Office; Shifts to GIFT City in India

**General Insurance Corporation of India (GIC Re)**, the sole reinsurer in the domestic reinsurance market, is set to shut down its Dubai Office since the Dubai Authority failed to renew its licence. The GIC Re has decided to shift its operation to Gujarat International Finance Tec-City (GIFT City), the only International Financial Services Centre in India.

## SBI Life Insurance Launched New Insurance Plan – SBI Life eShield Next

SBI Life Insurance launched a new Individual, Non-Linked, Non-Participating Life Insurance solution named 'SBI Life eShield Next'. It will 'levels up'/improve the protection coverage of the insured person when he achieves life's major milestones like getting married, becoming a parent or buying a new house. It has 3 different plan options such as Level Cover, Increasing Cover, and Level Cover with Future-Proofing Benefit.

## IFSCA Launched Pilot Run of International Bullion Exchange

Injeti Srinivas, the Chairperson of International Financial Services Centres Authority (IFSCA), launched the pilot run/soft of 'International Bullion Exchange'. The exchange was planned to go live on the Foundation Day of IFSCA i.e., on October 1, 2021. The bullion exchange will provide an integrated common transparent platform (bullion market) for all participants to trade bullion.

- ✓ Bullion Exchange: It is a market for the buyers and sellers to trade gold and silver.

## ASK Investment Managers launches India's 1st AIF, 'ASK Emerging Opportunities Fund'

ASK Investment Managers Ltd (ASK IM) launched India's first Digital Alternate Investment Fund (AIF) namely 'ASK Emerging Opportunities Fund' through which the company is targeting to raise Rs 1,000 crore. This fund is a close-ended category-III long-only AIF. It will have a flexi cap portfolio with a midcap bias and will invest in listed Indian equities.

### Razorpay, Capital Float Partnered for BNPL Solution Walnut 369

Fintech startup Capital Float Financial Services Pvt. Ltd partnered with Razorpay to extend its 'buy now, pay later' (BNPL) solution, the Walnut 369 to all Razorpay-enabled online merchants. Capital Float plans to extend its BNPL solutions to over 1 lakh partners and serve customers in 100 cities across India.

- ✓ **Headquarters of Razorpay** is Bangalore, Karnataka.

### Flipkart Wholesale Launches New Credit Program to Support Kiranas & Retailers

Flipkart Wholesale, the digital B2B marketplace of Flipkart group has launched a new credit program to assist Kiranas and retailers in managing their working capital requirements and promote their business.

- ✓ The new credit program has been designed to solve the local challenges faced by the kiranas in India and to help them manage their cash flow and improve their purchase experience on Flipkart wholesale, thereby ensuring that the benefits of digitisation reach the entire B2B retail ecosystem.

### Max Life Partnered with BillDesk to Becomes 1<sup>st</sup> Insurer to Enable e-mandate for Premium Payment

Max Life Insurance has partnered with Billdesk, a payment gateway solution provider for safe and secure E-mandante process on premium payment procedures. Max Life is now became the first life insurer to provide such facility of e-mandate to its customers.

**Objective-** To enhance digital facility and provide digital premium payments capability to its customers.

## GA Questions Asked in Exams

- [GA Questions asked in RRB PO Mains Exam 2021 – Jan 30](#)
- [GA Questions asked in SBI PO Mains 2021 – Jan 29](#)
- [SBI Clerk Mains 2020](#)
- [IBPS RRB Officer Scale II GBO Exam 2020](#)
- [RBI Assistant Mains 2020](#)
- [GA Questions Asked in IBPS Clerk Mains Exam 2020 – 90% Questions Covered by AC](#)
- [GA Questions asked in SBI PO 2019 Main Exam](#)
- [GA Questions asked in SBI Clerk Main Exam 2019](#)
- [GA Questions asked in IBPS PO Main Exam 2019](#)
- [GA Questions asked in RBI Grade B Prelims Exam 2019](#)
- [GA Questions asked in IBPS RRB Clerk Mains Exam 2019](#)
- [GA Questions asked in IBPS RRB PO Mains Exam 2019](#)

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