

The background of the slide shows a blurred image of students in a classroom or library setting, with one student in the foreground holding a blue pen over a laptop. A large purple and orange geometric shape is overlaid on the left side of the image.

Weekly Regulatory Bodies & RBI News

**Study Material
8-14 May 2022**

Weekly Regulatory Bodies & RBI News Study Material 8th -14th May 2022

Dear readers,

Weekly Regulatory Bodies & RBI News Study Material are a collection of **RBI News** and events that occurred in the **second week (8-14th) of May 2022**. This file is important for all **regulatory body** exams.

1. RBI opens banks credit for NBFCs to on-lend continuously to priority sector

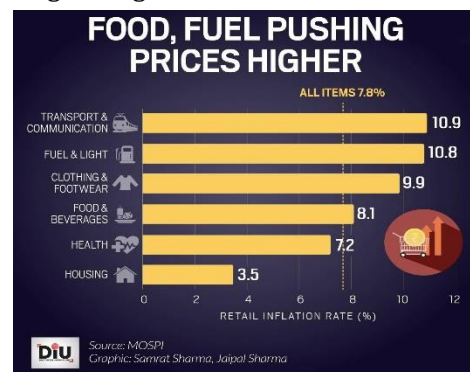
Note:

- The Reserve Bank of India (RBI) has decided to allow banks to lend to NBFCs for on-lending to priority sectors on an on-going basis to ensure the continuation of the synergies that have been developed between banks and NBFCs in delivering credit to the specified priority sectors.
- Bank credit to NBFCs (including HFCs) for on-lending will be allowed up to an overall limit of 5% of an individual bank's total priority sector lending in case of commercial banks.
- In case of SFBs, credit to NBFC-MFIs and other MFIs (Societies, Trusts, etc.) will be allowed up to an overall limit of 10% of an individual bank's total priority sector lending.
- Only those SFBs are allowed to lend to registered NBFC-MFIs and other MFIs which have a 'gross loan portfolio' (GLP) of up to ₹500 crores as on March 31 of the previous financial year.

2. India's retail inflation surges to 7.79% in April

Note:

- India's retail inflation surged to near an 8-year high to 7.79% in the month of April and IIP grows 1.9% in March 2022.
- This is breaching the upper limit of the Reserve Bank of India's (RBI's) target range for the fourth consecutive time.
- The surge is largely driven by rising fuel and food prices.
- The RBI has been mandated by the government to keep the retail inflation at 4% with a margin of 2% on either side.
- The CPI-based inflation stood at 6.95% in March, 6.07% in February and 6.01% in January. The inflation rate stood at 4.23 per cent in April 2021.
- Inflation in the food basket rose to 8.38% in April from 7.68% in the preceding month and 1.96% in the year-ago month.



3. Forex reserves fall by \$28.05 bn in Sep 2021-Mar 2022 period

Note:

- According to an RBI report, the country's foreign exchange reserves declined by USD 28.05 billion to USD 607.31 billion at the end of March 2022 from USD 635.36 billion at the end of September 2021,
- The Reserve Bank of India (RBI) has published half-yearly reports on the management of foreign exchange reserves.
- These reports are prepared every six months with reference to the position in March and September-end each year.
- Although both the US dollar and Euro are intervention currencies and the Foreign Currency Assets (FCA) are maintained in major currencies.
- The foreign exchange reserves are denominated and expressed in US dollar terms.
- Movements in the FCA occur mainly on account of the purchase and sale of foreign exchange by RBI.

4. Indian Bank launches digital broking solution

Note:

- Indian Bank has unveiled a digital broking solution named E-Broking, which allows customers to open a Demat and trading account.
- E-Broking is a strategic step toward a complete digitalisation of its offerings to customers.
- IndoASIS (mobile banking application) also offer a seamless experience from Demat and trading account opening to discounted broking services.
- This will help the bank to increase its CASA (current account, savings account).
- Headquarters: Chennai
- CEO: Shri Shanti Lal Jain

5. PMJJBY, PMSBY and APY complete 7 years of providing social security

Note:

- Pradhan Mantri Suraksha Bima Yojana (PMJJBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY), and Atal Pension Yojana (APY) have completed seven years of providing social security net.
- The schemes were launched by PM Narendra Modi on 9th May 2015 in Kolkata, West Bengal.
- PMJJBY: More than 12.76 crore Cumulative Enrolments
- PMSBY: More than 28.37 crore Cumulative Enrolments
- APY: Over 4 Crore subscribers



Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

- One-year life insurance scheme renewable from year to year.
- Coverage for death due to any reason.
- Age group of 18-50 years
- People who join the scheme before completing 50 years of age can continue to have the risk of life cover up to the age of 55 years upon payment of the premium.
- Life cover of Rs. 2 Lakh in case of death
- Premium of Rs. 330/- per annum

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

- One-year accidental insurance scheme renewable from year to year
- Coverage for death or disability due to accident
- Age group of 18-70 years
- Accidental death cum disability cover of Rs.2 lakh (Rs.1 lakh in case of partial disability) for death or disability due to an accident.

Atal Pension Yojana (APY)

- Universal social security system for all Indians
- Administered by Pension Fund Regulatory and Development Authority (PFRDA) under the overall administrative and institutional architecture of the National Pension System (NPS).
- Age group of 18 to 40 years
- Minimum monthly pension of Rs. 1000 or Rs. 2000 or Rs. 3000 or Rs. 4000 or Rs. 5000 at the age of 60 years.

6. Narayan Rane launches second phase of MSME RuPAY Credit Card

Note:

- Narayan Rane (Union Minister for Micro, Small, and Medium Enterprises (MSMEs)) has launched the second phase of the MSME RuPay Credit Card with the National Payments Corporation of India (NPCI) and 4 banks: Kotak Mahindra Bank, Bank of Baroda, SBM Bank (India), and HDFC Bank.
- 50 days interest-free credit period for MSME borrowers on their business spending.
- EMI facility on the business-related purchases of MSMEs.
- Banks can monitor the transactions of MSME borrowers at a micro-level.
- Digital payments will reduce the demand for cash withdrawal.

7. SEBI grants recognition to NSDL Database Management as accreditation agency for 3 yrs

Note:

- The entity is a wholly-owned subsidiary of National Securities Depository Ltd (NSDL).
- The agency will issue an accreditation certificate to "accredited investors".
- The recognition to NDML has been granted for a period of three years with effect from May 10, 2022.
- The renewal of the recognition would be subject to satisfactory performance by NDML.

8. Reliance crosses USD 100 billion annual revenue

Note:

- Reliance Industries become the first Indian company to record annual revenue of more than a whopping \$100 billion.
- The company has recorded a 22.5% rise in net profit for the quarter ended March 2022.
- Reliance has recorded strong growth in retail, digital services, and the oil & gas business.
- The company has also reported the highest-ever quarterly EBITDA (earnings before interest, taxes, depreciation and amortisation) of ₹33,968 crores (28% up) year-on-year.
- O2C (oil-to-chemical) business EBITDA was up 25% at ₹14,241 crores.
- Digital services pre-tax earnings at ₹11,209 crore were 25% more than last year.
- Net profit from telecoms arm Reliance Jio rose 22.9% to 43.13 billion rupees.

9. Finance Minister launches NSDL's investor awareness programme for students

Note:

- Union Finance Minister Nirmala Sitharaman has launched the National Securities Depository Limited's (NSDL) investor awareness programme for students named 'Market Ka Eklavya'.
- Aim: To introduce the basics of the securities market and also impart training on financial markets for students.
- This is available in Hindi and other regional languages.
- NSDL has launched a new investor awareness programme as part of its silver jubilee celebration.
- NSDL CEO: Padmaja Chunduru

10. RBI approves the merger of Equitas SFB, Equitas Holdings

Note:

- Equitas Small Finance Bank and the parent Equitas Holdings Ltd announced that the Reserve Bank of India has given its no-objection to their proposal of amalgamation, subject to conditions.
- The merger will comply with the RBI norms on small finance banks which mandate the promoter to reduce the stake in the subsidiary to 40% within five years of commencement of operations by the SFB (Small Finance Bank).
- According to RBI requirements laid down for SFBs in June 2016 and guidelines for licensing SFBs in the private sector in November 2014, the Equity shares of SFBs should be listed on the recognised stock exchange(s) within three years of the date the SFB's net worth reaches Rs 500 crore.
- The applicable date for listing in the case of ESFB was September 4, 2019.
- It began banking activities, however, with a net worth of more than Rs 500 crore.

11. Sebi constitute an advisory committee for ESG-related matters

Note:

- SEBI has constituted a committee for advising on Environmental, Social and Governance (ESG) related matters in the securities market.
- Headed by: Navneet Munot, CEO, HDFC Mutual Fund
- The terms of reference of the committee include Enhancements in business responsibility and sustainability report, ESG ratings, and ESG investing.
- It will examine evolving disclosures/metrics relevant to the Indian context and suggest areas for assurance and a plan for implementation.
- SEBI Chairperson: Madhabi Puri Buch

12. HDFC Bank launches digital 30-minute 'Xpress Car Loans

Note:

- HDFC Bank has launched an end-to-end digital car loan scheme named 'Xpress Car Loans' for its existing customers as well as new customers.

- Buyers can apply for a maximum of Rs 20 lakh and the loan amount will be credited to the dealers' accounts within 30 minutes.
- The facility is currently available for four-wheelers and will be soon rolled out to two-wheelers as well.
- Aim: To simplify the car purchase process and increase car sales.
- Headquarters: Mumbai
- CEO: Sashidhar Jagdishan

13. ICICI Bank joins hands with Santander for India-UK business ease

Note:

- ICICI Bank has partnered with Santander bank in Britain in a pact aimed at facilitating the banking requirements of corporates operating across both countries.
- The memorandum of understanding (MoU) between ICICI and Santander UK Plc is designed to establish a framework of the partnership between the banks to meet the financial service requirements of corporate customers operating within the India-UK corridor.
- ICICI Bank MD& CEO: Sandeep Bakhshi

14. Bharti AXA launches financial literacy campaign for mothers

Note:

- Bharti AXA Life Insurance has launched its financial literacy campaign 'InspiHERs- enabling an empowered future'.
- It is a special initiative to spread financial awareness among women about financial decisions for a secured future.
- Bharti AXA Life Insurance is a joint venture between Bharti Enterprises and AXA.
- The joint venture company has a 51% stake in Bharti and a 49% stake in AXA.
- Bharti AXA Life Insurance MD & CEO: Parag Raja

15. Union Bank launches 'Trade nxt' for export-import transactions

Note:

- Union Bank of India (UBI) has launched a digital solution named 'Trade nxt' to enable corporates as well as MSMEs to transact all cross-border export-import transactions.
- This online platform offers absolute entry and processing of letters of credit (LoC), bank guarantees, export and import bills, disbursement of export credit, outward & inward remittances, dealer financing, and much more.
- Managing Director & CEO of Union Bank of India: Rajkiran Rai G

16. Exim Bank provide additional LoC of USD 190 million to the SBM (Mauritius)

Note:

- Export-Import Bank of India (Exim Bank) will extend its financial support of USD 190 million to the SBM (Mauritius) Infrastructure Development Company Ltd (SBMIDCL).
- Projects: Metro Express Project and other infrastructure projects in Mauritius
- The credit facility is an additional tranche to the existing Credit of USD 500 million which has been extended to SBMIDCL on the terms and conditions contained in the Dollar Credit Line Agreement dated May 27, 2017.
- Exim Bank MD: Harsha Bangari
- Exim Bank headquarters: Mumbai

17. Morgan Stanley cuts India's FY23 growth forecast to 7.6%

Note:

- Morgan Stanley has estimated India's growth forecast for FY23 to 7.6% from 7.9%.
- Reason: the slowdown in global growth, higher commodity prices and risk aversion in global capital markets expose Asia's third-largest economy to downside risks.
- Earlier, the Reserve Bank of India (RBI) has also revised downwards its growth projection for FY23 to 7.2% from 7.8%.
- The World Bank also slashed its FY23 growth forecast for India to 8%.

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