



Weekly Regulatory Bodies & RBI News

Study Material

22-30 June 2022

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Dear readers,

Weekly Regulatory Bodies & RBI News Study Material are a collection of **RBI News** and events that occurred in the fourth week (22-30th) of **June 2022**. This file is important for all **regulatory body** exams.

1. SEBI permits FPIs to participate in Exchange-Traded Commodity Derivatives Market

Note:

- SEBI allowed foreign portfolio investors to participate in the exchange-traded commodity derivatives segment.
- It will further increase depth and liquidity in the market.
- Board has also cleared the amendments to SECC Regulations provisions relating to Limited Purpose Clearing Corporation (LPCC) for clearing and settlement of corporate bond repo transactions.
- FPIs will be allowed to trade in all non-agricultural commodity derivatives and select non-agricultural benchmark indices.
- Initially, FPIs will be allowed only in cash-settled contracts.
- SEBI has already allowed institutional investors such as Category III Alternative Investment Funds (AIFs), Portfolio Management Services and Mutual Funds to participate in ETCD market.
- SEBI Chairperson: Madhabi Puri

2. IDFC FIRST Bank ties up with Star Health for bancassurance

Note:

- The Star Health insurer has signed an agreement with IDFC FIRST Bank for distribution of its health insurance solutions.
- Star Health and Allied Insurance Company will offer health insurance products to the Bank's customers using IDFC FIRST Bank.
- MD & CEO of IDFC FIRST Bank: V. Vaidyanathan
- Chairman & CEO of Star Health: V. Jagannathan

3. Credit Card spending crossed ₹ 1.13 lakh crores in May

Note:

- Spending through Credit cards have crossed ₹ 1.13 lakh crore in May compared to ₹ 1.05 lakh crore in the previous month according to official data released by the RBI.
- 7.68 crore credit card holders spent about ₹ 71,429 crore for buying online.
- The amount was spent through swipes at Point of Sale (PoS) machines stood at ₹ 42,266 crore in May.
- Credit card holders spent ₹ 65,652 crore for buying online, while the amount spent through Point of Sale (PoS) machines was ₹ 39,806 crore in April.

4. BIS announces Renminbi Liquidity Arrangement

Note:

- The Bank for International Settlements (BIS) has announced a Renminbi Liquidity Arrangement (RMBLA).
- It has been developed with the People's Bank of China (PBC).
- Aim: To provide liquidity to central banks through a new reserve pooling scheme.
- Each participating central bank contributes a minimum of RMB 15 billion or US dollar equivalent, in RMB or USD, placed with the BIS, creating a reserve pool.
- The arrangement initially includes a group of central banks in Asia and the Pacific, including Bank Indonesia, Central Bank of Malaysia, the Hong Kong Monetary Authority, the Monetary Authority of Singapore and the Central Bank of Chile, as well as the PBC.
- BIS HQ: Basel, Switzerland

5. Income inequality in India on decline since FY17

Note:

- The State Bank of India has released the latest Ecowrap report, which states that Income inequality in India has been on a decline since FY17.
- The average income of states reached to Rs 1,74,024 in 2021-22, from Rs 18,118 in 2001-02.
- Coefficient of variation of per capita income decreased to 67% in 2021-22, from 76% in 2011-12.
- Bottom states: Bihar, Jharkhand, Chhattisgarh, Rajasthan, Madhya Pradesh, and Uttar Pradesh
- Sikkim and Goa are leading states.

6. Protean eGov Technologies Ltd has announced a partnership with PayNearby

Note:

- Aim: Offer PAN-related services for PayNearby's retail partners through Aadhaar and biometric or SMS-based OTP authentication for their customers.
- This will help to improve the service delivery to citizens as they enter the formal financial sector.
- It also facilitates quick and easy access to online PAN services in neighbourhood stores.
- It will also eliminate the submission of physical applications and supporting documents.
- Protean will accept and processes PAN applications on behalf of the Income Tax Department, Government of India.
- PayNearby will act as the Protean's PAN Service Agency (PSA).

7. Sebi gives UPI payment option to invest in public issues of REITs, InvITs

Note:

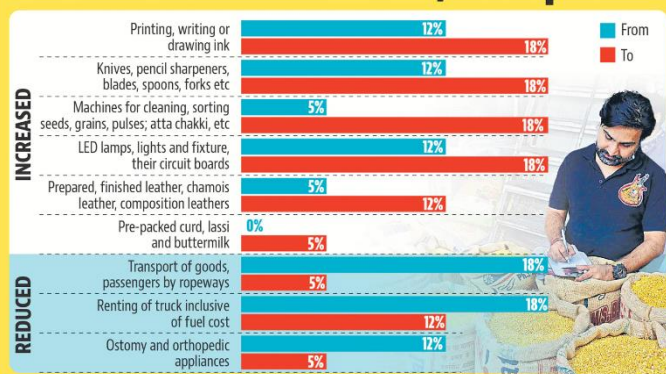
- Capital markets regulator, Sebi has provided an additional payment option of unified payments interface (UPI) mechanism to retail investors to apply in the public issue of REITs and InvITs for application value up to Rs 5 lakh.
- Aim: Streamlining the process
- It will be applicable to public issue of units of Infrastructure Investment Trust (InvIT) and real estate investment trust (REIT) from August 1.

8. GST Council remove various tax exemptions

Note:

- The council has imposed a 28% GST on casinos, online gaming, and horse racing will be discussed.
- States headed by the opposition have pushed for either an extension of the GST compensation system or an increase in the states' percentage of revenue from the present 50%.
- The Council has also accepted the interim report on rate rationalisation, included rectifying the inverted duty structure and eliminating the tax exemption on some items, from the group of state finance ministers led by Karnataka CM Basavaraj S Bommai.
- The GoM has proposed to replace the GST exemption with a 13% tax and removing it from a variety of services, such as hotel lodging costing less than Rs 1,000 per day.
- Group also suggested to impose 5% GST surcharge on room rent (excluding ICU) for hospitalised patients when those costs exceed Rs 5,000 per day.

What becomes costlier, cheaper



9. RBI approves SBI's establishment of operations support subsidiary

Note:

- The Reserve Bank of India has given approval to the State Bank of India for its proposed operations support subsidiary.
- Aim: to reduce the cost-to-income ratio.
- Before introducing the new subsidiary across India, the bank will soon begin a pilot programme in selected areas.
- SBI's cost to income ratio increased by 240 basis points from FY19 levels to 53.3% in FY22.
- In contrast, the top three private banks have cost to income ratios that are between 35 and 40% lower than SBI.

- Therefore, the subsidiary designed to increase operational effectiveness can eventually aid India's largest bank in significantly increasing its profitability.
- Chairman of SBI: Dinesh Kumar Khara

10. Centre mandates 3-year Health Insurance Plan for Surrogate Mothers

Note:

- The government of India has revised the surrogacy rules.
- These revised rules have made compulsory for couples who wish to become parents through surrogacy.
- They need to buy health insurance plans for surrogate mothers for a period of 36 months.

Provisions:

- The number of attempts of any surrogacy procedure on the surrogate mother shall not be more than three times.
- In case of any complication as advised by the doctors, a surrogate mother may be allowed for abortion during the process.
- Every private surrogacy clinic must file an application for registration with a fee of ₹2 lakh which is non-refundable.
- These surrogacy clinics should have at least one gynaecologist, one anaesthetist, one embryologist and one counsellor.
- Marriage period: For more than five years.
- Consent of surrogate

11. AU Small Finance Bank launches customizable credit card

Note:

- AU Small Finance Bank has launched customized Credit named AU Bank LIT (Live-It-Today).
- This credit card offers a unique value proposition to
- Cardholders can choose the features and time according to
- Through the AU0101 app, cardholders can track their daily to maximize their benefits.
- Cardholders can get the best of both Cashbacks and Reward Points by using the features.
- Headquarters: Jaipur; CEO: Sanjay Agarwal



Card product
cardholders.
their wish.
saving/earnings

12. Liberty General Insurance Partners Peerless Financial Products Distribution

Note:

- Liberty General Insurance has signed an agreement with Peerless Financial Products Distribution Ltd (PFPDL) to enable the distribution of Liberty's retail and commercial line of products.
- The product distribution across the country will be done through the 42 branches of Peerless.
- Liberty is working closely with PFPDL to provide training and operational expertise.
- Liberty General Insurance HQ: Mumbai; CEO: Roopam Asthana

13. Karnataka Bank launches 'V-CIP' for account opening

Note:

- Karnataka Bank has launched 'Video-based Customer Identification Process (V-CIP)'.
- It is an online savings bank (SB) account opening facility.
- This facility will enable in the corporate website of the bank, strengthen the prospective customers to open an SB account through online process and complete KYC verification through a video call.
- This is an end-to-end paperless digital process.
- It also reduces the turnaround time of account opening.
- CEO: Mahabaleshwara M. S

14. ICICI Bank launches 'Campus Power' platform for student ecosystem

Note:

- ICICI Bank has launched a digital platform called 'Campus
- Aim: To help students aspiring to pursue higher education and outside the country.



Power.'
in India

- This platform will cater the varied needs of the entire student ecosystem comprising students, parents, and institutes.
- This will assist users to explore financial products according to their needs ranging from bank accounts including overseas accounts, education loans and its tax benefit etc.
- CEO: Sandeep Bakhshi

15. World Bank approved Uttarakhand project to boost rain-fed agriculture

Note:

- Rain-fed agriculture in the steep areas of Uttarakhand has been approved by the World Bank.
- The project will cost Rs. 1,000 crores.
- The watershed department will carry out the Uttarakhand Climate Responsive Rain-fed Farming Project.
- Aims: Lower the greenhouse gas emissions.
- It will also encourage environment friendly agricultural practices.
- Uttarakhand Governor: Gurmit Singh; Chief minister: Pushkar Singh Dhami

16. Disbursement of Loan to MSME sector grew by 182% after pandemic period

Note:

- According to the study conducted by credit bureau CRIF High Mark, the loan disbursed to MSME sector grew by a massive 182% in FY22 to Rs 37 trillion.
- In terms of value, the loan disbursal of private banks increased from 33.6% in FY20 to 69.8% in FY22.
- Share of private banks increased from 26.9% in FY20 to 33.5% in FY22 in volume terms.
- Top 3 states (value): Maharashtra, Tamil Nadu, and Delhi
- Top 3 states (volume): Maharashtra, Tamil Nadu, and Uttar Pradesh

17. World Bank finance Indian Railways to reduce carbon emissions

Note:

- The World Bank has approved a \$245-million loan for the Indian Railways to reduce the India's high carbon emissions and low modal freight share in the railways.
- The Indian Railway project will help India to shift more traffic from road to rail.
- This will make transport more efficient and reduce tonnes of greenhouse gas emissions each year.
- This loan is financed through the International Bank for Reconstruction and Development with a maturity of 22 years.

18. Zomato to acquire Blinkit for ₹4,447 crore in all-stock deal

Note:

- Zomato (Online food delivery platform) has announced to acquire Blinkit, which was earlier known as Grofers, in an all-stock deal of Rs 4,447 crore.
- Zomato would acquire up to 33,018 equity shares of Blink Commerce Pvt Ltd.
- The total purchase consideration of Rs 4,447.48 crore at a price of Rs 13.45 lakh per equity share.
- Last year, Zomato had bought a 10% stake in Blinkit for about \$100 million.
- Founder & CEO Zomato: Deepinder Goyal

19. Mufin Finance received Prepaid Payment Instrument licence from RBI

Note:

- Mufin Finance (NBFC) has received in-principal RBI approval for issuance of semi-closed prepaid payment instruments.
- This PPI licence will allow digital banks, fintech firms and large consumer-facing applications to roll out features such as digital payment solutions for lending.
- It is the fourth NBFC to receive such a licence from the RBI
- Other three: Bajaj Finserv, Manapurram and Paul Merchants.
- Mufin Finance established in 2016.
- Co-founder : Rajat Goyal

20. Acemoney launches wearable ATM cards and offline UPI



Note:

- Acemoney has launched UPI 123Pay payment and wearable ATM cards.
- UPI 123Pay: Allow people to carry out cashless transactions without smartphones or internet connections by using feature phones only.
- Wearable ATM cards: It is designed as key chains and rings that allows people to carry out cashless transactions without ATM cards and phones.
- Acemoney is India's first company to launch UPI 123Pay services in Malayalam and Tamil.
- RBI had launched UPI 123Pay in March 2022.

21. Kerala Financial Corp raises the limit of flagship entrepreneurial loan

Note:

- Kerala Financial Corporation has raised the upper loan limit of loans under the Chief Minister's Entrepreneurship Development Programme (CMEDP) to ₹2 crore.
- Aim: More MSMEs can get funds at a concessional 5% interest rate.
- The Kerala government will provide a subsidy of 3% with the Corporation chipping in with 2% towards the effective interest rate.
- The age limit set by Govt for SC/ ST entrepreneurs, women entrepreneurs and non-resident Keralites is 55 years.

22. Government extends levy of GST compensation cess till March 2026

Note:

- As per the Goods and Services Tax (Period of Levy and Collection of Cess) Rules, 2022, has been notified by the finance ministry that the government has extended the time for levy of GST compensation cess by nearly 4 years till March 31, 2026.
- The levy of cess was about to end on June 30.
- The revenue from the GST compensation cess is used to pay for the borrowings and arrears of compensation paid to states in the last two financial years.

23. Bajaj Allianz launches Global Health Care plan

Note:

- Bajaj Allianz General Insurance has launched 'Global Health Care', a comprehensive health insurance product.
- It covers planned as well as emergency treatment.
- It also provides health care Internationally (outside of India) and domestically (within India).
- Sum Insured: Rs 37,50,000 to Rs 3,75,00,000
- The product is available in two plans, namely 'Imperial Plan' and 'Imperial Plus Plan'.
- For Overseas Citizen of India, the minimum period to stay outside is 180 days.

COVER	Domestic Cover					
	IMPERIAL PLAN			IMPERIAL PLUS PLAN		
In-patient Hospitalization Treatment Limits	INR 3,750,000	INR 5,600,000	INR 7,500,000	INR 11,200,000	INR 18,750,000	INR 37,500,000
In-patient Hospitalization Treatment	Up to Sum Insured					
Hospital accommodation (Room rent and ICU)	At Actual					
Pre-hospitalization	60 days					
Post-hospitalization	180 days					
Local (Road) Ambulance	Up to Sum Insured					
Day Care Procedures	Up to Sum Insured					
Living Donor Medical Costs	INR 500,000					
Annual Preventive Health Check-up (only offered at renewal)	INR 5,000					
Ayurvedic / Homeopathic Hospitalization Expenses	Up to Sum Insured					
Air Ambulance	INR 500,000	INR 675,000	INR 750,000	INR 750,000	INR 750,000	INR 750,000
Mental Illness Treatment (In-patient)	Up to Sum Insured					
Rehabilitation	INR 50,000					

*The total Sum Insured payable under all covers will not exceed the In-patient Hospitalization Treatment Limits

24. SEBI imposes monetary penalty of ₹7 cr on NSE

Note:

- The Securities and Exchange Board of India has imposed a penalty of 7 crore on the National Stock Exchange (NSE) and 5 crores on Chitra Ramkrishna (former CEO of the exchange) in the dark fibre case.
- The market regulator has also penalized Anand Subramanian (former group operating officer) and Ravi Varanasi (current CBD officer), 5 crore each.
- Sampark Infotainment, Way2Wealth Brokers and GKN Securities have been fined 3 crore, 6 crore and 5 crores, respectively.

25. Airtel Payments Bank partners Axis Bank to digitise the cash collection

Note:

- Airtel Payments Bank has joined hands with Axis Bank to digitize the cash collection system.
- Region: India's tier III cities and semi-urban regions.

Benefits:

- Axis Bank to build operational efficiencies in the cash management process, speed up the payment cycle
- It helps in releasing the bandwidth of field agents who operate across the country.
- Agents can deposit the amount at any Airtel Payments Bank outlet, amount will be transferred to the Axis Bank accounts.

26. Merger of PVR-INOX gets clearance from BSE and NSE

Note:

- PVR and INOX Leisure have received clearances for their merger from bourses NSE and BSE.
- In March 2022, both multiplex operators have announced the merger to create the largest multiplex chain in the country.
- The company has received observation letter with 'no adverse observations' from BSE Ltd on June 20, 2022 and observation letter with 'no objection' from NSE on June 21, 2022 .
- Swap ratio: 3:10 i.e., 3 shares of PVR for 10 shares of Inox.

27. Govt to collaborate with SBI for creation of integrated pension portal

Note:

- Government's Department of Pension & Pensioners' Welfare (DoPPW) will collaborate with the State Bank of India (SBI).
- Aim: to create an integrated pension portal, which helps to enhance ease of living of pensioners.
- It was decided during the special session, that immediate efforts are needed for the creation of pension portal by linking the existing portals of the DoPPW and the SBI.
- SBI Chairman: Dinesh Kumar Khara

28. RBI extends date for implementation of provisions concerning card issuance

Note:

- The Reserve Bank of India has notified that it has extended the timeline for implementation of a few provisions under its master directions on credit card and debit card issuance.
- The timeline has been extended by three months from July 1, 2022, to October 1, 2022.
- Provisions: Card-issuers shall seek OTP based consent from the cardholder for activating a credit card, if consent is not received then card issuers shall close the credit card account without any cost.

29. SEBI forms advisory panel to hybrid securities to enable larger retail play

Note:

- Securities and Exchange Board of India (SEBI) has set up 20-member advisory committee under the chairmanship of K V Kamath.
- Aim: recommends for giving a fillip to the growth of such instruments, including measures focusing on ease of issuance and attracting domestic and global capital.
- Sebi has reconstituted its research advisory committee of 16 members, chaired by V Ravi Anshuman.
- Aim: promotion, development, maintenance of databases relevant for regulation research.

30. Freo, Equitas Small Finance Bank offer savings account

Note:

- Freo has launched a digital savings account offering 'Freo Save' in association with Equitas Small Finance Bank.
- With this launch, Freo has become the first consumer neobank in the country to provide full-stack neo-banking products.
- It includes smart savings account, credit and payments products, cards and wealth-growth products.
- The digital savings account has been integrated with Equitas' infrastructure on the Freo Save App.
- Freo Co-Founder: Anuj Kacker

31. Max Life launches life insurance savings plan with Policybazaar

Note:

- Max Life Insurance Company Ltd has launched the 'Max Life Smart Fixed-return Digital Plan' with Policybazaar.
- It is a non-linked, non-participating, individual life insurance savings plan.
- This plan helps customers to meet their short-term financial goals.
- The plan also offers guaranteed tax-free returns up to 6.14%.
- Monthly premiums: ₹3000

- Minimum tenure: five years
- The plan is also available to purchase on Max Life's website and Policybazaar.

32. CARD91 announces strategic partnership with YES BANK and RuPay

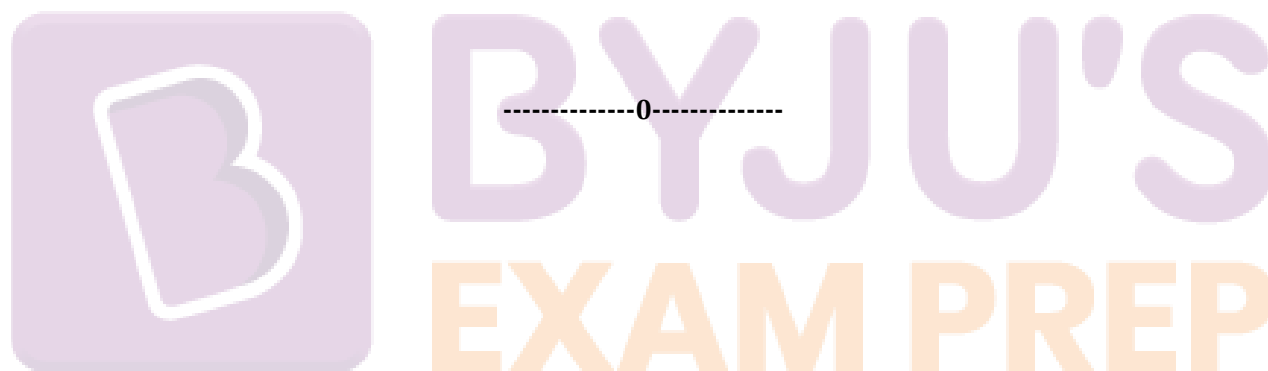
Note:

- CARD91 has joined hands with YES BANK and RuPay, to create a card management system that will allow companies to launch a variety of co-branded card instruments.
- This will enable CARD91 to expand its presence in the Indian payments market.
- CARD91 is a global payment infrastructure powering B2B payments.
- It was designed to help businesses launch co-branded cards and simplify payments.
- Yes Bank CEO: Prashant Kumar
- NPCI MD& CEO: Dilip Asbe

33. South Indian Bank launches SIB TF Online, EXIM trade portal

Note:

- South Indian Bank has launched a new portal for its corporate EXIM customers named 'SIB TF Online'.
- This portal provides a platform for trade-related payments to foreign entities remotely.
- Through this portal, customer can initiate the payment request on SIB TF Online, after uploading the relevant documents for the transaction.
- The bank launch SIB TF Online in phases.
- South Indian Bank Headquarters: Thrissur; CEO: Murali Ramakrishnan



Features :



Live Classes by
Top Faculty



Comprehensive Study
Material



Daily Study Plan



Latest Pattern Test Series



Complete Doubt
Resolution



Regular Assessments with
Report Card

