

Current Affairs search results for tag: economyfinance

1. RBI Lifts Restrictions on Bank of Baroda's 'BoB World' App (May 13, 2024)

The Reserve Bank of India (RBI) has removed restrictions on Bank of Baroda's (BoB) mobile application "BoB World" with immediate effect.

An Overview of the News

- BoB is now permitted to onboard customers through the BoB World application, adhering to relevant guidelines and existing laws/regulations.
- In October 2023, the RBI, utilizing its authority under Section 35A of the Banking Regulation Act, 1949, instructed BoB to halt the addition of customers through its "BoB World" mobile application due to specific supervisory concerns.

BoB World App:

- BoB initiated its mobile banking application pilot in 2011, known as Baroda M-Connect.
- "BoB World," a cutting-edge mobile banking app, was introduced by BoB in September 2021.
- The app provides over 220 services, encompassing approximately 90% of retail banking services.
- It facilitates digital account opening and instant issuance of virtual debit cards, along with online loan applications and immediate disbursement for specific loan products.

About Bank of Baroda (BoB)

- Established: 1908
- Headquarters: Vadodara, Gujarat
- Managing Director and CEO: Debdutt Chand
- Tagline: "International Bank of India"

2. AGEL Secures 20-Year Agreement with Sri Lankan Government for Wind Power Stations (May 9, 2024)

Adani Green Energy Limited (AGEL) has signed a Power Purchase Agreement (PPA) for 20 years with the Government of Sri Lanka.

An Overview of the News

- Under the agreement, AGEL will receive compensation of 8.26 cents per kilowatt-hour (kWh).
- The company will establish wind power stations in Mannar and Pooner regions of Sri Lanka.

Important Considerations:

- The Sri Lankan Government has formed a negotiation committee to assess the proposed wind power plant project by Adani Green Energy.
- In February 2023, Adani Green Energy was granted approval to invest USD 442 million for the development of 484 MegaWatts (MW) wind power plants in Northern Sri Lanka.

About Sri Lanka

- Legislative Capital - Sri Jayawardenepura Kotte
- Judicial and Executive Capital - Colombo
- President - Ranil Wickremesinghe
- Currency - Sri Lankan Rupee (LKR)

3. 10 MDBs Unveil Global Collaborative Co-Financing Platform (April 23, 2024)

During the 2024 IMF and World Bank Spring meetings in Washington D.C. on April 20th, 10 Multilateral Development Banks (MDBs) introduced the Global Collaborative Co-Financing platform.

An Overview of the News

- The platform, consisting of a Co-Financing Portal and a Co-Financing Forum, aims to revolutionize the development finance sector.

Key Features and Significance:

- Co-Financing Portal:
 - Hosted by the World Bank, this secure platform allows registered co-financiers to share project pipelines conveniently.
- Co-Financing Forum:
 - Providing a space for diverse stakeholders, this forum facilitates discussions on co-financing opportunities, sharing of best practices, and addressing common challenges.
- The platform's launch is expected to streamline processes, minimize administrative burdens, and reduce transaction costs.
- It fosters collaboration, promotes transparency, and enhances the effectiveness and efficiency of MDBs and partner agencies in addressing global challenges.

4. BOI partners with IMGC for affordable housing mortgage guarantee (April 17, 2024)

Bank of India (BoI), a public sector bank (PSB) in India, has partnered with India Mortgage Guarantee Corporation (IMGC) to introduce mortgage guarantee-backed home loan products targeting the affordable housing segment.

An Overview of the News

- This collaboration extends to both salaried and self-employed individuals seeking home loans in the affordable housing category.
- The IMGC guarantee serves to reduce the risk of default for the BOI, enabling the bank to extend more favorable loan terms to borrowers.
- This agreement is strategically aimed at promoting financial inclusion and increasing access to home ownership opportunities across India.
- By strengthening the loan delivery mechanism, the partnership helps increase credit flow to the affordable housing sector.
- Leveraging IMGC's expertise in guarantees and BOI's extensive network of over 5,100 branches across the country, the partnership aims to offer home loan products to potential home owners with better flexibility and security.

About IMGC

- IMGC is governed by the 2008 Mortgage Guarantee Company Guidelines of RBI.
- Mahesh Mishra holds the post of Managing Director (MD) and Chief Executive Officer (CEO) in IMGC.
- Established in 2012, IMGC is headquartered in Noida, Uttar Pradesh.

5. Deposits of senior citizens increased, government received tax of Rs 27,000 crore in FY 2024 (April 17, 2024)

Total deposits in senior citizen accounts are expected to increase by 143% to reach Rs 34.367 lakh crore by December 2023, compared to Rs 13.724 lakh crore in 2018.

An Overview of the News

- Fixed deposit accounts of senior citizens increased by 81% to about 7.4 crore in December 2023 from 4.1 crore in 2018.
- An estimated 7.3 crore accounts have balances of more than Rs 15 lakh, which attract 7.5% interest, resulting in a total interest of Rs 2.7 lakh crore in FY24, including Rs 2.57 lakh crore from bank deposits and senior citizens. This includes Rs 13,000 crore from the savings scheme.
- The average amount of fixed deposit account per senior citizen increased by 39% to Rs 4.63 lakh by December 2023 from Rs 3.34 lakh in 2018.
- The government collected around Rs 27,000 crore of tax from senior citizens on interest earned from fixed deposits in FY24, with the TDS limit raised to Rs 50,000.

- Additional incentives, such as interest rate hike of 50 basis points and enhanced deposit insurance cover (increased from Rs 1 lakh to Rs 5 lakh with effect from February 4, 2020), have made bank deposits more attractive for senior citizens.

About SBI

Chairman: Dinesh Kumar Khara

Headquarters: Mumbai, Maharashtra

Established: July 1, 1955

Tagline: "Banker for every Indian"

6. Canara Bank introduces health care loans and savings accounts for women (April 5, 2024)

Canara Bank launches health care loan 'Canara Heal' and savings account for women 'Canara Angel', launches technological advancements and digital SHG initiative.

An Overview of the News**Healthcare Loan Product: Canara Heal**

- Canara Bank introduces a new healthcare-focused loan product named Canara Heal.
- Designed to cover the shortfall in hospitalization expenses, particularly aimed at settling healthcare insurance claims via Third Party Administrators (TPA) for self and dependents.

Savings Account for Women: Canara Angel

- Canara Bank launched a specialized savings account tailored for women, dubbed Canara Angel.
- Unique features include a Cancer Care policy, a pre-approved personal loan known as Canara ReadyCash, and an Online Loan against term deposit product called Canara MyMoney.

Collaborations and Partnerships

- Canara Bank formalizes Memorandums of Understanding (MoUs) with MediAssist Healthcare Services Ltd and Bajaj Allianz General Insurance Company Ltd.
- These partnerships aim to enhance healthcare accessibility and affordability for customers through the Canara Heal product.

Innovative Payment Solutions

- Unveiling of 'Canara UPI 123PAY ASI', a user-friendly payment interface.
- Introduction of 'Canara HRMS Mobile App for Staff', an HR management solution for the bank's employees.

Digital SHG Initiative

- CEO of the Reserve Bank Innovation Hub, Rajesh Bansal, launched a Digital SHG initiative called Canara SHG e-MONEY.
- Canara Bank becomes the pioneer in offering seamless doorstep digital services to Self-Help Groups (SHGs) in collaboration with RBIH.
- The initiative aims to provide instant digital credit to customers' accounts.

7. PepsiCo India to Establish Rs 1266 Crore Flavor Plant in Ujjain (April 3, 2024)

PepsiCo India announced a significant investment of Rs 1266 crore to set up a flavor manufacturing facility in Ujjain, Madhya Pradesh.

An Overview of the News

- This investment is in line with the vision of Aatmanirbhar Bharat, reflecting PepsiCo India's commitment to domestic manufacturing. It will produce beverage flavors specifically designed for the Indian market.

Existing Facilities and Future Operations:

- This will be PepsiCo India's second flavor manufacturing facility in the country, with the first one being located in Channo, Punjab.
- Construction of the Ujjain plant is scheduled to begin in 2024, with operations expected to begin in the first quarter of 2026.

Collaboration with Madhya Pradesh Government:

- Jagrut Kotecha, Chief Executive Officer, India and South Asia, PepsiCo, expressed his gratitude for the support of the Madhya Pradesh government, emphasizing the company's commitment to enhancing the socio-economic landscape of the region.

About PepsiCo

- PepsiCo, Inc. is a global company headquartered in Harrison, New York.
- It serves the food, snack and beverage industries.
- PepsiCo handles the manufacturing, distribution and marketing of its products.
- The company oversees all aspects of the food and beverage market.

CEO - Ramon Laguarta

CFO - Hugh F. Johnston

CIO - Seth Cohen

COO - Gregg Roden

8. LIC Named World's Strongest Insurance Brand (March 27, 2024)

The latest Brand Finance Insurance 100 2024 report positions Life Insurance Corporation of India (LIC) as the world's most robust insurance brand, emphasizing its global reputation and reliability.

An Overview of the News

- LIC maintains its top spot globally with a consistent brand value of USD 9.8 billion, solidifying its dominance in the insurance industry.
- Cathay Life Insurance follows closely with a 9% increase in brand value to USD 4.9 billion, securing the second position.
- NRMA Insurance ranks third, witnessing an impressive 82% rise in brand value to USD 1.3 billion.

Impressive Premium Collection of LIC

- LIC India achieves a remarkable feat by recording the highest first-year premium collection of Rs 39,090 crore in FY23, showcasing its financial strength.
- SBI Life Insurance and HDFC Life Insurance lead the private sector, with significant premium collections of Rs 15,197 crore and Rs 10,970 crore, respectively.

Market Performance and Share Price of LIC

- LIC's shares reach an all-time high, reinforcing its position as India's fifth most valuable listed company and highlighting its market dominance.

Global Dominance of Chinese Brands

- Chinese insurance giants such as Ping An, China Life Insurance, and CPIC continue to lead global rankings, with Ping An witnessing a 4% rise in brand value to USD 33.6 billion.

Notable Growth in Brand Values

- NRMA Insurance from Australia experiences a notable 82% increase in brand value to USD 1.3 billion, while Denmark's Tryg witnesses a 66% rise to USD 1.6 billion, reflecting significant growth in brand value.

9. PolicyBazaar Ventures into Payment Aggregation with Launch of PB Pay Pvt Ltd (March 23, 2024)

PolicyBazaar, a leading player in insurance and financial services, announced the formation of 'PB Pay Pvt Ltd' to diversify its offerings.

An Overview of the News

- The Board of Directors of Policybazaar approved the incorporation of PB Pay Private Limited on March 20, 2024.
- The subsidiary's focus on payment aggregation services awaits regulatory approval, particularly from the Reserve Bank of India (RBI).

Business Scope and Capitalization

- PB Pay Private Limited will operate as a Non-Banking Financial Company (NBFC) focusing on payment aggregation services.
- The authorized share capital for the subsidiary has been set at Rs 50,00,00,000, with a proposed paid-up capital of Rs 27,00,00,000.

Ownership and Transaction Details

- As a wholly owned subsidiary of Policybazaar, PB Pay Private Limited will be considered a related party.
- Despite the absence of a visible promoter for Policybazaar, the transaction is expected to be at a considerable distance, reflecting the status of its professionally managed entity.

10. SBI Card launches 'SimplySave Merchant SBI Card' for MSMEs (Sept. 8, 2023)

SBI Cards and Payment Services Limited (SBI Card), India's largest standalone credit card company, launched 'SimplySave Merchant SBI Card', an exclusive credit card tailored for Micro, Small and Medium Enterprises (MSMEs).

An Overview of the News

- The card, aimed at MSME merchants, was launched by State Bank of India (SBI) **Chairman Dinesh Khara** during the **Global Fintech Fest held in Mumbai, Maharashtra**.
- The primary objective of 'SimplySave Merchant SBI Card' is **to address the need for convenient and quick access to formal credit options for MSMEs**.
- This credit card operates within the RuPay network and can also be integrated with the Unified Payments Interface (UPI), thereby facilitating payments through various UPI-enabled third-party applications.
- SBI Cards and Payment Services Limited, a subsidiary of State Bank of India (SBI), was earlier known as SBI Cards and Payment Services Private Limited (SBICPSL).

About State Bank of India

- **Established in 1806 as the Bank of Calcutta**, it was later renamed the Imperial Bank of India.
- Nationalized by the Government of India **in 1955**, it became the **State Bank of India**.

- Provides personal banking, corporate banking, agricultural banking and international banking services.
- Personal banking services include savings and current accounts, loans, credit cards and investment products.
- SBI promotes **digital banking with initiatives like YONO and SBI Quick.**
- Received awards such as **Best Bank Award by Euromoney Magazine and Best Retail Bank Award in India by Asian Banker.**
- The headquarters is located in **Mumbai, Maharashtra.**