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1. Centre announces four important initiatives to strengthen Urban Co-operative Banks in country (June 10, 2023)

-Urban-Co-operative-Banks-in-country

To realise Prime Minister Narendra Modi's vision of '**Sahakar se Samridhi**', four important initiatives have been taken to strengthen **1,514 Urban Co-operative Banks** (UCBs) in the country.

An overview of the news

- After detailed discussions with Union Home and Cooperation Minister **Amit Shah**, Finance Minister **Nirmala Sitharaman** and Governor, Reserve Bank of India, RBI has notified these important measures to strengthen Urban Cooperative Banks.

Four initiative

1. In order to expand their business, Urban Cooperative Banks (UCBs) can now open new branches

- UCBs can now open new branches up to **10%** (maximum 5 branches) of the number of branches in the previous financial year without prior approval of RBI in their approved area of operation.
- In order to avail this facility, UCBs have to get the policy approved by their board and comply with the Financially Sound and Well Managed (FSWM) Norms.

1. UCBs can also do One Time Settlement at par with Commercial Banks

- RBI has notified a framework governing this aspect for all regulated entities including Urban Co-operative Banks.
- Now co-operative banks through board-approved policies may provide a process for technical write-off as well as settlement with borrowers.
- This has brought cooperative banks at par with other commercial banks now.

1. Revised timelines for PSL targets given to UCBs

- The Reserve Bank of India has decided to extend the timeline for UCBs to achieve Priority Sector Lending (PSL) targets by two years i.e. up to March 31,2026.

1. Designating a Nodal Officer in RBI

- In order to meet the long pending demand of the cooperative sector for closer coordination and focused interaction, RBI has recently notified a nodal officer as well.

What are Urban Cooperative banks (UCB)?

- It refers to **primary cooperative banks** located in **urban and semi-urban areas**.
- These are registered as cooperative societies under the provisions of, either the **State Cooperative Societies Act** of the State concerned under the provisions of the or the **Multi State Cooperative Societies Act, 2002**.
- It is regulated by the **Registrar of Cooperatives** and also by the RBI.
- The Reserve Bank regulates and supervises the banking functions of UCBs under the provisions of **Banking Regulation Act, 1949**.

2. Federal Bank launches 'I am Adyar, Adyar is me' campaign (June 9, 2023)

Federal-Bank-launches-'I-am-Adyar,-Adyar-is-me'-campaign

The campaign '**I am Adyar, Adyar is me**' was launched by the **Federal Bank in Chennai** on 6th June.

An Overview of the News

- The campaign aims to honour and celebrate the local **community of Adyar**.
- The Adyar branch of Federal Bank has been converted into a living museum for the campaign.
- Vibrant paintings depicting the vibrant spirit of Adyar now adorn the walls of the branch.
- The campaign features a special exhibition showcasing 40 compelling stories of the individuals who made Adyar special.
- The campaign aims to capture the essence of Adyar and promote its rich culture and heritage.
- It fosters a sense of pride and belonging among local residents.
- The 'I am Adyar, Adyar is me' campaign is an innovative initiative by Federal Bank to honour and recognize the Adyar community.

Federal Bank Limited:

- It is an **Indian private sector bank** headquartered in **Aluva, Kochi, Kerala**.
- The bank operates **1,370 branches** in various states of India.
- Federal Bank has representative offices in **Abu Dhabi, Qatar, Kuwait, Oman and Dubai**.
- The bank provides a wide range of financial services to its customers including retail banking, corporate banking, treasury operations and wealth management.
- It emphasises a customer-centric approach and strives to provide efficient and convenient banking solutions.

Founder - **K.P Hormis**

Establishment - **23 April 1931, Nedumpuram**

CEO - **Shyam Srinivasan**

About Tamil Nadu

- The state was formed on **26 January 1950** but its boundaries were redrawn on **14 January 1969**.
- It is situated at the mouth of the **Arabian Sea, the Bay of Bengal** and the **Indian Ocean**.

Capital - **Chennai**

Governor - **Ravindra Narayan Ravi**

Chief Minister - **MK Stalin**

Assembly seats - **235 seats**

Rajya Sabha seats - **18**

Lok Sabha seats - **39**

3. The Union Cabinet approved the third revival package for BSNL (June 8, 2023)

On June 8, the government **approved a revival package** of over **Rs 89,000 crore for BSNL**.

An Overview of the News

Revival Package:

- The total outlay of the revival package is **Rs 89,047 crore**.
- The package includes **allocation of 4G and 5G** spectrum for BSNL through equity infusion.
- The authorised capital of BSNL will be increased from **Rs 1,50,000 crore to Rs 2,10,000 crore**.

Revival Package Objectives

- BSNL will emerge as a stable telecom service provider focused on providing connectivity to remote parts of India.
- The spectrum allocation will enable BSNL to provide pan India **4G and 5G services**.
- BSNL will provide 4G coverage in rural and unserved villages under various connectivity projects.

- **Fixed Wireless Access (FWA)** services for high-speed internet will be offered by BSNL.
- BSNL will provide services and spectrum for the **Captive Non-Public Network (CNPN)**.

Previous Revival Package

- The first revival package for **BSNL and MTNL** was approved in 2019, amounting to **Rs 69,000 crore**.
- The **second revival package** for BSNL and MTNL was approved in **2022 amounting to Rs 1.64 lakh crore**.

About BSNL

- BSNL was incorporated on **15 September 2000**.
- It is a **100% Government of India owned public sector undertaking**
- It is a technology oriented integrated telecom service provider company.
- It provides wire line services, **2G, 3G, 4G and GSM** mobile services including Value Added Services (VAS), Internet and Broadband services, Wi-Fi services, Data Center services etc.

Headquarters - **New Delhi, India**

4. RBI Monetary Policy Announcement (June 8, 2023)

RBI Governor **Shaktikanta Das** announced the **second monetary policy** of this financial year on 8 June. There has been **no change** in the **repo rate for the second time in a row**.

An overview of the news

- After the meeting of the **Monetary Policy Committee**, the RBI announced the monetary policy, saying that the **repo rate would remain unchanged at 6.5%**.
- **Consumer Price Inflation** eased but remains above the target.
- Continued efforts to manage liquidity and currency circulation.
- The current account deficit is expected to narrow further in the fourth quarter.
- **Net inflows into non-resident deposits** increased to **US\$ 8 billion** in FY23 from **US\$ 3.2 billion** in the previous year.
- The Indian Rupee has remained stable since January this year. Conditions are favorable to accelerate capital expenditure.

Monetary Policy Committee's Decision

- Policy **repo rate** remains unchanged at **6.5%**.
- **Standing Deposit Facility** (SDF rate) remains at **6.25%**.
- **Marginal Standing Facility** and bank rates stand at **6.75%**.

Inflation Trends in India

- **Consumer Price Inflation** eased during March-April 2023.
- Inflation moved into the tolerance band, declining from **6.7% in 2022-23**.
- **Headline inflation** remains above the target and is expected to continue in 2023-24.
- **Projected CPI headline inflation** for 2023-24 is **5.1%, assuming a normal monsoon**.

Withdrawal of Rs 2000 Note

- Decline in currency circulation and increased government spending.
- System liquidity expansion due to RBI's market operations.
- Deposit of **Rs 2000 banknotes** in banks further **augmented liquidity**.
- **So far ₹1.8 lakh crore worth ₹2,000 banknotes** have come back after the central bank announced to take these out of circulation.
- This is 50% of the total ₹3.62 lakh crore-worth notes in circulation as of March 31.

What is the repo rate?

- Repo rate is the rate at which the central bank of a country (RBI in India's case) lends money to commercial banks when they are short of funds. Here the central bank buys securities.

What is the Monetary Policy Committee?

- **Under Section 45ZB of the amended RBI Act 1934**, the Central government is empowered to constitute a six-member Monetary Policy Committee (MPC) to determine the policy interest rate required to achieve the inflation target.
- The first such MPC was constituted on **September 29, 2016**.
- As per the RBI Act, the MPC must meet a minimum of four times in a year.
- The meeting of the Monetary Policy Committee was held from **6 to 8 June 2023**.

5. NHPC inks MoU with Maharashtra Government (June 7, 2023)

NHPC-inks-MoU-with-Maharashtra-Government

State-owned **NHPC Limited** has announced its **collaboration with the Department of Energy, Maharashtra government** through a **Memorandum of Understanding (MoU)** on 7 June.

An overview of the news

- The primary objective of this partnership is to establish **Energy Storage Systems**, specifically **Pumped Storage Systems**, alongside other Renewable Energy Sources like Solar, Wind, and Hybrid, with **a total combined capacity of 7,350 MW**.
- The introduction of energy storage systems, such as **Pumped Storage Systems**, is crucial for storing excess energy during periods of low demand and utilizing it during peak hours.
- These systems play a vital role in ensuring a **reliable and uninterrupted power supply**.
- They contribute to grid stability, enable efficient energy management, and facilitate the **integration of intermittent renewable energy sources into the power grid**.
- By combining pumped storage systems with **solar, wind, and hybrid power generation**, this collaboration aims to optimize the utilization of renewable energy resources.

NHPC Limited

- NHPC Limited, formerly known as the **National Hydroelectric Power Corporation**, is a state-owned company in India.
- It was **incorporated in 1975**.
- Its objective is **developing, operating, and maintaining hydroelectric power projects in India**.
- It is a government-owned company, with the **majority of shares held by the Government of India**.
- It operates under the administrative control of the **Ministry of Power**.
- Some of its major projects include the **Indira Sagar Project** in Madhya Pradesh, the **Teesta Low Dam Project** in West Bengal, and the **Parbati Hydroelectric Project** in Himachal Pradesh.

6. RBI Governor launches financial inclusion dashboard Antardrishti (June 6, 2023)

RBI-Governor-launches-financial-inclusion-dashboard-Antardrishti
Reserve Bank of India Governor **Shaktikanta Das** launched a **financial inclusion dashboard** named '**Antardrishti**' on 6 June.

An overview of the news

- The dashboard will provide necessary insights to assess and monitor the progress of financial inclusion by capturing relevant parameters.
- The progress of financial inclusion will be assessed against set parameters through an **Antardrishti dashboard**. Along with this, it will also help in monitoring.
- With the help of the dashboard, the areas of lack of **financial services on a large scale** in the country can be detected and then work will be done on the basis of this.
- Currently, the **Antardrishti Dashboard** will be used **internally by RBI**.
- Multi stakeholder approach will be adopted for the Antardrishti Dashboard to enhance **financial inclusion in future**.

Financial Inclusion Index

- The **Financial Inclusion Index was launched in 2021** to measure financial inclusion.
- In this, financial inclusion is measured on the basis of **access, utility and quality**.
- This index also includes information related to **banking, investment, insurance and postal services** etc. of an area.
- This index ranges from 0 to 100.
- **0 indicates complete financial exclusion**, while **100 indicates complete financial inclusion**.

Reserve Bank of India (RBI)

- Reserve Bank of India was set up under the **Reserve Bank of India act 1934**. It started functioning from **1 April 1935**.
- It was **nationalized in 1949** and now the government of India is the owner of RBI.
- It has the power to regulate Banks under the **Banking Regulation Act 1949**.
- It has the power to regulate the **Non-Banking Financial Company (NBFC)** under the **RBI act 1934**.
- RBI is also the regulator of the digital payment system under the **Payment and settlement act 2007**.
- Headquarters of RBI: **Mumbai**
- Governor of RBI : **Shaktikanta Das**

7. SBI launches Project Kuber in Bengaluru (June 5, 2023)

SBI-launches-Project-Kuber-in-Bengaluru

State Bank of India (SBI), Bengaluru Circle, recently launched '**Project Kuber**' to meet the banking needs of its customers.

- Project Kuber' aims to **facilitate, and cater to various banking requirements of customers in Bengaluru Circle.**

Transaction Banking Hubs

- The project includes the establishment of **four Transaction Banking Hubs and one Corporate Salary Package Hub.**
- These hubs will focus on increasing **SBI's market share in liability products.**
- **Nand Kishore**, the Chief General Manager of SBI, Bengaluru Circle, inaugurated the hub on 3rd June.
- They are located at **SBI Administrative Building on KG Road and Sampige Road in Malleswaram.**
- The Transaction Banking Hubs will provide a range of services to both **corporate and non-corporate clients.**
- These services include **account opening, onboarding on SBI's digital platforms, and catering to payment** and collection-related requirements.
- The hubs will serve as a one-stop destination for digital banking services such as **Yono Business, e-Payments, Cash Management Products, and more.**

8. IRDAI issues draft Bima Vahaks guidelines (June 4, 2023)

IRDAI recently came out with **draft guidelines for 'Bima Vahaks (BV)'**.

An overview of the news

- It seeks to establish a **dedicated distribution channel** at the level of **Gram Panchayats.**
- The guidelines propose **Corporate Bima Vahaks and Individual Bima Vahaks** for the **distribution channel.**
- Corporate Bima Vahak would be **legal persons** registered in accordance with the respective laws and engaged by an insurer. Individual Bima Vahak could be any individual **appointed by an insurer or appointed by a Corporate Bima Vahak.**
- The BVs, both corporate and individual, would be authorised to undertake activities like the collection of proposal information, and KYC documents and coordinate claims-related services.
- As per the draft, every insurer will have to provide **alternative mode for payment of premium** by prospects or policyholders.

Objective of the guidelines

- This initiative aims to improve accessibility and availability of insurance in every nook and corner of the country.

Insurance Regulatory Development Authority of India (IRDAI)

- IRDAI is the **regulatory body** responsible for overseeing and regulating the insurance industry in India.
- It was set up to promote and regulate the insurance sector in India.
- It was **established on April 1, 2000**, under the provisions of the **Insurance Regulatory and Development Authority Act, 1999**.
- The primary role of the IRDAI is to **regulate and promote the insurance industry in India**.

9. UPI hits record 9 billion transactions worth Rs 14 lakh crore (June 2, 2023)

UPI-hits-record-9-billion-transactions

The **Unified Payments Interface (UPI)** registered more than **nine billion transactions in May 2023** amounting to over **14 lakh crore rupees**.

An overview of the news

- According to the **National Payments Corporation of India NPCI**, UPI recorded a total **9.41 billion transactions in May 2023**.
- UPI had recorded **8 billion transactions in January** this year, followed by 7.5 billion in February, 8.7 billion in March, and 8.89 billion in April.
- In Financial Year 2022-23, the payment system processed a total of **83 billion transactions**, amounting to a value of **139 lakh crore rupees**.
- India's homegrown payments system UPI is one of the globally accepted payment systems and has emerged as a trusted payment mode ever since its launch in 2016.
- The report titled "**The Indian Payments Handbook - 2022-27**" said that the share of UPI in the total transaction volume in the retail segment during 2022-23 was around 75 per cent.
- The Indian digital payments market is expected to reach **411 billion transactions in FY 2026-27 from 103 billion in FY 2022-23**.

About UPI

- Unified Payments Interface (UPI) is a single platform that integrates various banking services and facilities under one umbrella.
- It is developed by **National Payments Corporation of India (NPCI)**.

- The names of the top UPI apps currently are – **PhonePe, Paytm, Google Pay, Amazon Pay and BHIM.**
- NPCI **launched UPI in 2016** with 21 member banks.

National Payments Corporation of India (NPCI)

- NPCI, an umbrella organization for operating retail payment and settlement systems in India, has been initiated by the 'RBI' and the 'Indian Banks' Association' (IBA) under the '**Payment and Settlement Systems Act, 2007**'.
- It is a '**not-for-profit**' company established under the provisions of **Section 25 of the Companies Act 1956** (as amended in 2013), with the objective of providing physical and electronic payment infrastructure to the entire banking system in India.

10. Govt appoints Ashwani Kumar as UCO Bank MD & CEO (June 1, 2023)

The Appointments Committee of the Cabinet (ACC) has approved the appointment of **Ashwani Kumar, Executive Director, Indian Bank, as the Managing Director and CEO of UCO Bank.**

An overview of the news

- Ashwini Kumar will replace **Soma Shankar Prasad**, who retired on May 31.
- The Center had appointed Prasad as the MD and CEO of UCO Bank in December 2021.
- Ashwani Kumar will head the public sector bank for a period of **three years from June 1.**
- According to an order issued by the Department of Personnel and Training, Kumar will also be eligible for extension of office for two years or until further orders, whichever is earlier, after review of his performance.
- Kumar, a **Chartered Accountant**, has served in various offices of five public sector banks - Bank of Baroda, Corporation Bank, Oriental Bank of Commerce, Punjab National Bank and Indian Bank.
- His work experience includes working as the Head of the Wholesale Banking Division and several branches (including industrial finance branches).

About UCO Bank

- UCO Bank is a leading **public sector bank** in India with a rich history **dating back to 1943.**
- It was established as the **United Commercial Bank** and later **renamed UCO Bank in 1985.**
- UCO Bank is a government-owned bank and operates under the **administrative control of the Ministry of Finance**, Government of India.

- It is regulated by the **Reserve Bank of India (RBI)** and complies with banking regulations and guidelines.
- UCO Bank has a widespread branch network across India, serving customers in both urban and rural areas.