

RBI in News (October 2024 to February 2025)

1. The **Reserve Bank of India (RBI)** mandates banks to allocate 40% of Adjusted Net Bank Credit (ANBC) to Priority Sector Lending (PSL).
2. As per **RBI's** plan, the proposed fee for **ATM** cash withdrawals (after free limits) is ₹22 per transaction (up from ₹21).
3. The **RBI** approved the amalgamation of Pune Commercial Co operative Bank Ltd. (Satara) with Pimpri Chinchwad Sahakari Bank Maryadit (Pune).
4. The **RBI** approved the amalgamation of The Citizen Cooperative Bank Ltd. (Vasco Da Gama, Goa) with TJSB Sahakari Bank Ltd.
5. Easebuzz received final authorization from the **RBI** to continue operating as an authorized payment platform for online payments.
6. **RBI** will soon issue ₹50 denomination banknotes under the Mahatma Gandhi (New) Series bearing the signature of the newly appointed Governor, Sanjay Malhotra.
7. The **RBI** expanded the **UPI** scope by allowing Small Finance Banks (**SFBs**) to offer pre-sanctioned credit lines for digital payments.
8. The **RBI** imposed restrictions on the Mumbai based New India Co operative Bank due to supervisory concerns and liquidity issues.
9. The **RBI** approved Zulia Investments (a Temasek unit) to raise its stake in AU Small Finance Bank up to 7%.
10. The **RBI's** Monetary Policy Committee (**MPC**) 2025 (7th February 2025) set rates as follows: **Repo Rate** at 6.25% (a 25-basis-point cut), Standing Deposit Facility (**SDF**) Rate at 6.00%, and Marginal Standing Facility (**MSF**) & **Bank Rate** at 6.50%; it also projected GDP growth of 6.4% in FY 2024-25 and 6.7% in FY 2025-26, with inflation projections of 4.8% (FY 2024-25) and 4.2% (FY 2025-26).
11. The **RBI** increased its bond purchase amount in Open Market Operations (**OMO**) to ₹40,000 crore (up from ₹20,000 crore), noting a current liquidity deficit of ₹1.33 lakh crore in the banking system.
12. **RBI** announced the setup of a 9 member working group (chaired by Executive Director Radha Shyam Ratho) to review trading and settlement timings across regulated markets.
13. The **RBI** announced its Gold Holdings in 2024: Total gold reserves increased to 876.18 tonnes (valued at \$66.2 billion) from 803.58 tonnes (\$48.3 billion) in 2023; net gold purchase was +72.6 tonnes; India ranks 9th globally, with top five holders being the US (81,336 tonnes), Germany (3,352 tonnes), IMF (2,814 tonnes), Italy (2,452 tonnes), and France (2,437 tonnes).
14. The **Reserve Bank of India (RBI)** restored Kamdhenu Finance Company Pvt Ltd's licence based on court orders.
15. The **RBI** has mandated that Asset Reconstruction Companies (**ARCs**) maintain a minimum net owned fund (**NOF**) of Rs 300 crore by March 31, 2026.
16. **RBI** eased withdrawal restrictions on New India Cooperative Bank, allowing withdrawals up to Rs 25,000 from February 27.
17. **RBI** raised the Small Value Loan Ceiling for Urban Cooperative Banks to Rs 3 crore (Tier I: Rs 60 lakh; Tier II: Rs 1.40 crore; Tier III: Rs 2 crore; Tier IV: Rs 3 crore.)
18. The **RBI** launched the mobile app "RBIDATA."
19. The **RBI's** Integrated Ombudsman Scheme now covers non scheduled primary cooperative banks with deposits of Rs 50 crore and above.
20. Bank of Maharashtra received **RBI** permission to set up its first international branch (IFSC Banking Unit) for offshore banking operations. (Headquarters: Pune, Maharashtra; MD & CEO: Nidhu Saxena; Tagline: "One Family One Bank")
21. **RBI's** Floating Rate Savings Bonds (**FRSB**) 2020
 - Interest Rate (Jan–Jun 2025): 8.05%, linked to NSC rate + 0.35%.
 - Payout: Twice a year (January 1, July 1).
 - Lock-in: 7 years (shorter for senior citizens, depending on their age bracket).
22. **RBI** Guidelines on Credit Information Companies (**CICs**)
Compensation : If a complaint is not resolved, a ₹100 per day penalty applies until it's settled.

23. World Gold Council Data
→ **RBI's** Gold Holdings: 876 tonnes (as of November 2024).
24. TReDS Platform Approval
→ KredX received **RBI's** nod to launch DTX (Domestic Trade Exchange).
→ Purpose: Provide faster liquidity to MSMEs through invoice discounting.
25. The **RBI** expanded the **UPI** scope by allowing Small Finance Banks (**SFBs**) to offer pre-sanctioned credit lines for digital payments.
26. Revised **RBI** Norms for **Housing Finance Companies (HFCs)**
→ From January 1, 2025, **HFCs** must hold 14% of their assets in liquid form, which will increase to 15% on July 1, 2025. (The previous requirement was 13%.)
27. Bank Account Closures (**RBI** Directive)
→ Effective from January 1, 2025, banks must close:
(i) Dormant accounts: No activity for 2+ years.
(ii) Inactive accounts: No transactions for 12+ months.
(iii) Zero-balance accounts.
28. **KLEMS (RBI (Reserve Bank of India) database)** stated that Between 2014 and 2024, 172 million new jobs were created in India.
29. **RBI's** Floating Rate Savings Bonds (**FRSB**) 2020 (repeat mention)
→ Interest Rate (Jan–Jun 2025): 8.05%, linked to NSC rate + 0.35%.
→ Payout: Twice a year (January 1, July 1).
→ Lock-in: 7 years (shorter for senior citizens).
30. **RBI** Guidelines on Credit Information Companies (**CICs**) (repeat mention)
→ Compensation if a complaint is not resolved in 30 days (₹100/day penalty).
→ Credit institutions must inform reasons for rejecting corrections in the CIR.
31. World Gold Council Data → **RBI's** Gold Holdings: 876 tonnes (repeat mention).
32. TReDS Platform Approval → KredX received **RBI's** nod (repeat mention).
33. According **RBI**, Lenders must update credit bureau records every 15 days.
34. The Lead Bank Scheme was introduced by the **RBI** in December 1969 based on the recommendations of the F.K.F. Nariman Committee.
35. National Bank for Financing Infrastructure and Development (**NaBFID**) is regulated by the **RBI** under Sections 45L and 45N of the **RBI** Act, 1934.
36. 4 Credit Information Companies (**CICs**) registered with **RBI**: CRIF High Mark, Equifax, Experian, TransUnion CIBIL.
37. Recently, **Reserve Bank of India (RBI)** has laid down certain broad principles for lenders relating to their participation in Government Debt Relief Scheme (DRS). In respect of relief measures, any dues pending receipt from Government for more than 90 days will attract specific provision of 100 per cent.
38. **Reserve Bank Innovation Hub (RBIH)** has partnered with the Indian Institute of Management Ahmedabad's (IIM-A) startup incubator, IIMA Ventures, to launch the 3rd cohort of 'Swanari TechSprint 3.0' programme.
39. Headquarters of **RBI**: Mumbai | Governor: Sanjay Malhotra (26th) | Established: 1 April 1935
Deputy Governors (4): S. Janakiraman, T. Rabi Sankar, Michael D. Patra, M. Rajeshwar Rao
40. **RBI** Sets Up New SEAC for Bank License Applications chaired by ex-**RBI** Deputy Governor M K Jain.
41. Skydo Technologies got in-principle authorisation from the **RBI** to operate as a PA-CB (Payment Aggregator-Cross Border)
42. **RBI** approved LIC's proposal to acquire up to 9.99% stake in HDFC Bank. LIC's shareholding in HDFC was 5.19% (as of December quarter).
43. MobiKwik and Cred introduced "e₹ wallets," making them the first non-banks to provide **RBI's** Central Bank Digital Currency (**CBDC**) to users. Product developed with **RBI** and Yes Bank (sponsor bank).
44. **RBI** to Inject ₹1.5 Lakh Crore Liquidity – Biggest Post-Covid Monetary Easing
Govt bond buy-back worth ₹60,000 Cr (3 tranches: 30 Jan, 13 Feb, 20 Feb 2025).

56-day variable rate repo auction for ₹50,000 Cr on 7 Feb

A \$5 bn (6-month) US dollar-rupee buy/sell swap

45. RBI-DPI for September 2024:

Reserve Bank published the Digital Payments Index (**RBI-DPI**) at 465.33 (up from 445.5 in March 2024).

46. RBI Enhances UPI Lite & 123PAY Limits

→ **UPI Lite**: Transaction Limit increased to ₹1,000, Wallet Capacity increased to ₹5,000.

→ **UPI 123PAY**: Per transaction limit increased to ₹10,000.

47. Cashfree Receives RBI Cross-Border Payments License

48. The RBI Introduces "MuleHunter.AI"

→ Purpose: Detect and prevent digital frauds via mule accounts.

→ Additional Initiatives: Hackathon on 'Zero Financial Frauds'; development of an ethical AI framework.

49. New Benchmark: Secured Overnight Rupee Rate (SORR)

→ Replaces: **MIBOR** (since 1998).

50. RBI Monetary Policy Highlights

→ **Repo Rate**: Unchanged at 6.5% for 11th consecutive time.

→ **CRR Reduction**: 50 bps to 4%, injecting ₹1.16 trillion liquidity.

→ Projections: GDP Growth: Lowered to 6.6% (from 7.2%), Inflation: Revised to 4.8%.

51. RBI Hikes FCNR(B) Interest Rate Ceilings

→ Effective Date: December 6, 2024.

→ New Rates: 1-3 years: Overnight ARR + 400 bps (previously 250 bps), 3-5 years: Overnight ARR + 500 bps (previously 350 bps).

→ Collateral-Free Agricultural Loans: Increased to ₹2 lakh from ₹1.6 lakh.

52. The RBI increased collateral-free agricultural loan limit from ₹1.6 lakh to ₹2 lakh per borrower (effective January 1, 2025).

53. RBI's Net Purchase of Foreign Currency Assets (H1FY25)

→ In H1FY25 (April–September 2025), the **RBI**, in its '**RBI Bulletin – November 2024**', reported a net purchase of USD 8.52 Billion...

→ As of November 8, 2024, India's foreign exchange reserves were USD 675.7 billion...

→ **RBI**, under its powers from Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949, imposed a fine of Rs 61.40 lakh on RBL Bank Limited for not complying with **KYC** regulations.

54. Payment Aggregator - Cross Border (PA-CB) Licence

→ Razorpay has not received the Payment Aggregator - Cross Border (**PA-CB**) licence from the **RBI**.

→ Only 4 companies hold this **PA-CB** licence: Cashfree Payments, Amazon Pay, BillDesk, Adyen India.

55. RBI injected Rs 6,956 crore liquidity into the banking system to address the current deficit.

56. Highlights: RBI's 5th Bi-Monthly Monetary Policy (FY25)

→ GDP Forecast: **RBI** revised FY25 GDP growth projection down to 6.6% (from 7.2%).

→ Inflation: Forecast for FY25 raised to 4.8% (from 4.5%).

→ **Cash Reserve Ratio (CRR)**: Reduced by 50 bps in two tranches to 4.0%.

→ Collateral-Free Agri Loans: Limit increased from Rs 1.6 lakh to Rs 2 lakh per borrower.

57. The RBI's Top 100 Corporate Defaulters List

→ Total Debt: ₹1,96,441 crore owed by 2,664 wilful defaulters.

→ Top Defaulters: Gitanjali Gems Ltd: ₹8,516 crore; ABG Shipyard Ltd: ₹4,684 crore.

58. RBI Injects ₹25,000 Crore into Banking System

→ Conducted a Variable Rate Repo (**VRR**) auction to inject liquidity after a spike in call rates.

59. RBI's 'FREE-AI' Committee for Ethical AI in Finance

→ Purpose: To develop a framework for responsible and ethical AI in the financial sector.

→ Committee Head: Pushpak Bhattacharyya, IIT Bombay.

60. RBI Report on Banking Trends and Progress

→ Asset Value of **ARCs**: Crossed ₹10 lakh crore for the first time, with an increase in SRs (Security

Receipts).

→ GNPA: Declined by ₹91,000 crore in FY2023-24...

→ Sales to **ARCs**: Public sector banks had higher sales...

61. RBI Approves Prepaid Payment Instruments (PPI) for UPI Payments

→ New Development: **PPI** holders can now use third-party apps like Google Pay and PhonePe for **UPI** payments.

62. RBI Imposes Penalties on IndusInd Bank and Manappuram Finance

→ IndusInd Bank fined ₹27.3 lakh and Manappuram Finance fined ₹20 lakh for non-compliance.

63. RBI Innovation Hub's Digital Lending Pilot Project

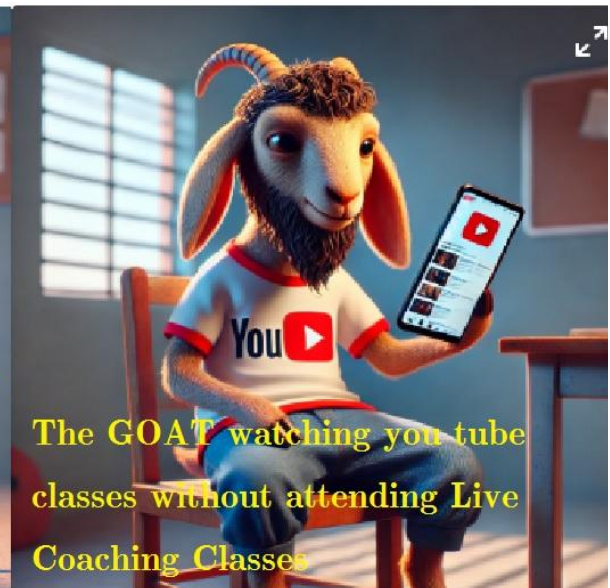
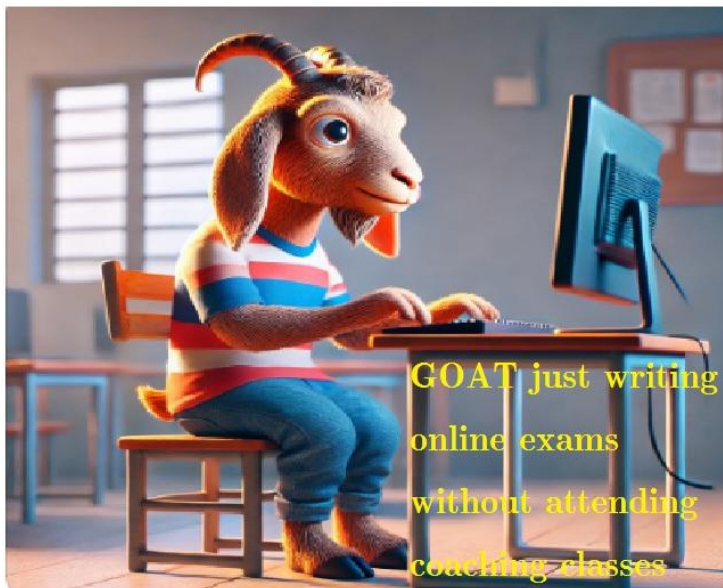
→ Partner: Vivifi Finance.

→ Target: Offer unsecured loans to gig workers under the Frictionless Credit Initiative.

64. RBI's Financial Stability Report on GNPA Ratios

→ Current GNPA Ratio: 2.6% in September 2024, may rise to 3% by March 2026 under baseline scenario.

NBCC



**The Goats which are just writing online exams and watching you tube videos
without attending Live Coaching Classes by Good Teachers**