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1. Union Bank and Federal Bank starts RBI Digital KCC pilot Project in MP and Tamilnadu respectively (Sept. 20, 2022)

The public sector bank Union Bank of India and the private banks Federal Bank have launched a pilot project to digitize Kisan credit Card (KCC) to transform rural credit delivery systems and to improve the quality of credit delivery in the rural areas .

Public sector lender Union Bank of India started the pilot from **Harda district in Madhya Pradesh** while private sector lender **Federal Bank** began the project from **Chennai, Tamilnadu**.

The pilot project of the banks is part of the RBI initiative for end-to-end digitalisation of Kisan Credit Card (KCC) lending, developed by the [Reserve Bank Innovation Hub \(RBIH\) Bengaluru](#).

Under the project the banks will issue KCC to the eligible farmers without insisting on physical records such as land documents and in person visits to the branch.

IMPORTANT FACTS -

Union Bank of India :

- It is a public sector bank owned by the government of India
- It was set up as a private bank in 1919 and was nationalized in 1969.
- Andhra Bank and Corporation bank was merged with Union Bank on 1 April 2020.
- Headquarters : **Mumbai, Maharashtra**
- MD and CEO: **A. Manimekhalai**
- Tagline of the Bank : **Good people to Bank with**

ADDITIONAL INFORMATION -

Federal Bank :

- It is a private sector bank which was set up in 1931.
- Headquarters : Aluva, Kochi, Kerala
- Chief Executive Officer : Shyam Srinivasan
- Tagline : **Your Perfect Banking Partner**

2. 30 startups identified through 'Swachhata Startup Challenge' (Sept. 20, 2022)

On 19 September, the Ministry of Housing and Urban Affairs (MoHUA) organized a Startup Conclave at the Ambedkar International Center in New Delhi.

IMPORTANT FACTS -

- The Ministry of Housing and Urban Affairs (MoHUA) will felicitate 30 startups identified through the **Swachhta Startup Challenge** to help strengthen the sanitation and waste management sector.
- The day-long conclave will provide a platform to startups to gain experience, knowledge and learning that will help them find their way into the sector to successfully scale up their solutions.
- Some Urban Local Bodies (ULBs) will engage in a 'reverse pitch' to highlight specific grassroots challenges, to motivate startups to work towards finding innovative solutions to the challenges.
- **Swachh Bharat Mission - Urban**, implemented by MoHUA, focuses on innovation and encouragement for startups to adopt locally innovative, implementable solutions and business models and promote waste management.

About Swachhta Start-up Challenge ?

- It was launched to increase innovation in waste management.
- It was launched by the **Agence Francaise de Developpement (AFD)** and the **Department of Promotion of Industry and Internal Trade, DPIIT**.
- The AFD is a **French public financial institution** that implements the policies of the French government.
- The objective of this challenge is to harness the entrepreneurial potential of the waste management sector in India and promote an enabling environment for enterprise development.
- The top ten winners of this challenge will be given a prize money of **Rs 25 lakh**.
- **Union Ministry of Housing and Urban Affairs (MoHUA) - Hardeep Singh Puri**

3. MAS and IFSCA sign agreement to advance cross-border fintech innovations (Sept. 19, 2022)

The Monetary Authority of Singapore (MAS) and the International Financial Services Centres Authority (IFSCA) on 18 September signed a FinTech Co-operation Agreement (CA) to facilitate regulatory collaboration and partnership in FinTech.

IMPORTANT FACTS -

- This formal treaty is called the **Fintech Cooperation Agreement (CA)**.
- Sopanendu Mohanty, Chief Fintech Officer, MAS and Joseph Joshi, Chief Technology Officer, IFSCA were present at the signing of the agreement.

Objectives of agreement :

- Through the CA, the two collaborating bodies aim to overlook sandbox collaboration and promote objectives such as the dissemination of information.
- MAS and IFSCA will maximise the use of existing sandboxes in their respective jurisdictions.
- This is to support the use of technological innovations.

What steps will be taken to achieve this ?

- Both bodies will refer and connect companies to each others' sandboxes.
- They will innovatie cross-border experimentation in both jurisdictions.
- This agreement will allow IFSCA and MAS to determine suitable use cases which could benefit from these kinds of cross-border experiments.
- Inviting relevant jurisdictions to participate in this global regulation would be another initiative taken under this agreement.

ADDITIONAL INFORMATION -***What is Financial Technology (Fintech) ?***

- Fintech refers to the integration of technology by financial services companies to improve their use and delivery to consumers.
- Fintech is used to help companies, business owners and consumers to better manage their financial operations and processes etc.
- Examples of fintech applications are - robo advisors, payments apps, peer-to-peer (P2P) lending apps, investment apps, and crypto apps etc.

4. Piyush Goyal to Chair first Ministerial Meeting of Economic, Investments Committee in Saudi Arabia (Sept. 18, 2022)

The Union Commerce and Industry Minister Piyush Goyal will be on a 2-day (18-19 September 2022) visit to Saudi Arabia to co-chair the inaugural Ministerial Meeting of the Economic and Investments Committee with Saudi Arabia's Energy Minister Prince Abdul Aziz Bin Salman.

Piyush Goel will also discuss with the Saudi minister's ,on ways to speed up the proposed **\$100 billion investment** in India announced by the Crown Prince Mohammad Bin Salman during his visit to India in February 2019.

The revival of the **West Coast Refinery Project** in **Ratnagiri**, Maharashtra is also expected to be on top of the agenda between the two ministers.

IMPORTANT FACTS -***West Coast Refinery project :***

- The 60 million tonnes per annum refinery was announced in 2015. The refinery will be set up jointly by Indian **Oil Corporation Ltd.(IOC)**, **Bharat Petroleum Corporation Ltd (BPCL)** , **Hindustan Petroleum Corporation Ltd (HPCL)** and world's largest oil companies **Aramco of Saudi Arabia** and United Arab Emirates company **Adnoc**.
- Aramco and Adnoc hold 50% stake in the project, while IOC has a 25% stake. The remaining 25% is split equally between BPCL and HPCL.
- The project was announced in 2015 but the project had to be stopped after opposition from the local population and the environmental groups.

5. PM Modi unveils National Logistics Policy (Sept. 18, 2022)

Prime Minister Narendra Modi launched the National Logistics Policy (NLP) at Vigyan Bhawan, New Delhi on 17 September.

IMPORTANT FACTS -

- The central government has been working on the National Logistics Policy for **three years**.
- The commerce ministry released a draft logistics policy for **consultation in 2019**, but it was delayed due to the COVID-19 pandemic.
- Finance Minister Nirmala Sitharaman announced the National Logistics Policy in the **budget 2022-23**.
- PM said faceless assessment has started in customs and e-way bills and FASTag are bringing efficiency in the logistics sector.
- He said the **Sagarmala project** to link ports and dedicated freight corridors has started improving logistics connectivity and systematic infrastructure development work.
- The Prime Minister said that India is now the **fifth largest economy** in the world and is emerging as a manufacturing hub.

Aim of the National Logistics Policy :

- It aims to promote smooth movement of goods and enhance the competitiveness of the industry.
- Through this policy, the focus will be on areas like process re-engineering, digitization and multi-modal transport.

Highlight of the Policy :

- This policy seeks to support **rapid growth** in the aftermath of the corona pandemic.

- It will streamline regulations and remove supply-side bottlenecks, besides providing a roadmap to reduce fuel costs and logistics costs.
- The draft policy seeks to create a reference point for all logistics and trade facilities and to reduce costs for the logistics sector by **10 percent over five years**.
- The logistics sector is estimated to account for **13-14 per cent of the GDP**.
- This policy is an attempt to improve the competitiveness of Indian goods, increase economic growth and employment opportunities.

India's logistics sector :

- India's logistics sector has more than 20 government agencies, 40 participating government agencies (PGAs), 37 export promotion councils, 500 certifications, over 10,000 items and a \$160 billion market.
- As per the World Bank Logistics Index of 2018, India is ranked 44th in logistics costs.

6. Windfall tax reduced on domestic crude oil and export tax on ATF slashed (Sept. 17, 2022)

The Union Ministry of Finance has issued a notification on 16 September 2022 slashing the windfall taxes on the domestically produced crude oil and has also reduced the taxes on the export of diesel and Aviation Turbine Fuel (jet fuel).

IMPORTANT FACTS -***Why was Special taxes imposed by the Government :***

- Government of India imposed windfall taxes on the domestically produced crude oil and imposed special taxes on the on export of petrol,diesel on 1 July 2022 after the crude oil prices shot up in the international market.
- At that time ,Nirmala Sitharaman had said that India imports around 83% of its crude oil and pays a high price for it . The oil companies after importing crude oil at high prices export the petroleum products like petrol ,diesel earning huge profits. This has resulted in a shortage of petroleum products in certain parts of the country.
- To encourage the companies to sell their products in India export duties were imposed.
- Also windfall taxes were imposed to collect extra revenue for the government to provide subsidies for the poor.
- The Finance minister Nirmala Sitharaman had promised that the government will review these special taxes every 15 days and reduce it if the international prices of oil comes down.
- With the recent drop in the crude oil prices in the international market the government has reduced the taxes .

New Tax rates :

- The tax on domestically-produced crude oil has been reduced to **Rs 10,500 per tonne** from Rs 13,300 per tonne.
- The levy on the export of **diesel** was reduced to **Rs 10 per litre** from Rs 13.5.
- Also, the tax on Aviation Turbine Fuel (ATF) exports was cut to **Rs 5 a litre** from Rs 9 per litre.

Who will be affected by these taxes :

- While private refiners Reliance Industries Ltd and the Russian owned Nayara Energy are the principal exporters of fuels like diesel and ATF, the windfall levy on domestic crude targets producers like state-owned Oil and Natural Gas Corporation (ONGC) and Vedanta Ltd.

ADDITIONAL INFORMATION -***Windfall Tax :***

- It is a special tax which is imposed on companies which earn abnormal profits due to sudden increase in the price of the goods they sell .
- In India domestic crude oil price **is linked with the international prices** . With the increase in the international price the domestic price increases automatically resulting in abnormal profit for crude oil producing companies like ONGC ,Oil India limited and Vedanta limited.

7. SBI Global Factors becomes 100% subsidiary of the SBI (Sept. 17, 2022)

India's largest bank, State Bank of India (SBI) has bought the entire 13.82 per cent stakes held by Small Industrial Bank of India (SIDBI), Bank of Maharashtra and Union Bank of India in the SBI Global Factors Ltd (SBIGFL).

- Now SBI Global Factors Ltd has become a 100% subsidiary company of SBI.
- SBIGFL is a non-banking financial company. It provides domestic and export factoring services under one roof.
- **The regulator of Factors in India is the Reserve Bank of India.**

IMPORTANT FACTS -**What is Factoring in Finance ?**

- It is a financing method in which a business owner sells its account receivable at a discount to a third party to raise capital for its business needs.

How it works :

- Suppose Business man A sells goods worth Rs 100 to a business man B. The businessman B promises to pay back the amount after three months and issues a statement in a proper format to A, mentioning all the details of the amount due and the date of repayment.

- Suppose after one month A needs money urgently for its business. It will approach SBI Factors and show it the statement given by B and will ask money from SBI Factor.
- If SBI Factor is satisfied that B is credit worthy then it will buy the statement issued by B at a discount of suppose 4%. It means that it will pay 96 rupees to A and it will collect Rs 100 from B.
- In this way A gets money for its business and SBI Factors earns Rs 4 on the deal.
- **The statement issued by B to A is called as account receivables.**

ADDITIONAL INFORMATION -***SBI Global Factors Ltd :***

- It is a Non-Banking Financial Company (NBFC)
- It was founded in 2001
- It's Headquarters: **Mumbai**
- Chairman: **Ashwini Kumar Tewari**

8. Nirmala Sitharaman calls for more women directors at the 2nd Women Director's Conclave (Sept. 16, 2022)

Union Minister for Finance and Corporate Affairs Nirmala Sitharaman called for increasing the representation of women in the company's board of directors in India.

She was speaking at the **2nd 'Women Director's Conclave'** being held at Bombay Stock Exchange in **Mumbai** on 16 September.

IMPORTANT FACTS -

- The theme of the Conclave was: **Celebrating Women Board Leaders'.**
- Nirmala Sitharaman said that only three-fourths of the listed firms on the National Stock Exchange have appointed at least one woman as an independent director.
- The Security and Exchange Board of India (SEBI), in accordance with the Companies Act 2013, has mandated the appointment of one independent woman director in the board of listed companies.

9. India to have Hydrogen powered Train by 2023: Ashwini Vaishnaw (Sept. 16, 2022)

Speaking at the SOA University in Bhubaneswar, the Union Railways Minister Ashwini Vaishnaw said on 15 September 2022, that India is developing hydrogen-powered trains and they will be ready in 2023.

This year **Germany launched the world's first** fleet of hydrogen-powered passenger trains. The 14 trains with hydrogen fuel cell drive have been developed by **French company Alstom** at a cost of around \$92 million.

IMPORTANT FACTS -***Advantage of Hydrogen fuel cell powered vehicle :***

- The Hydrogen fuel cell is environment friendly and it does not emit any greenhouse gasses. The hydrogen fuel cell uses hydrogen and air to generate electricity. The combination of air and hydrogen will produce water as a by-product which will be released by the Train.
- India is committed to achieve **zero net carbon emission by 2070.**

Other Hydrogen fuel project in India :

- India's first hydrogen fuel cell bus developed by the CSIR-NCL (Council of Scientific and Industrial Research- National Chemical Laboratories) Pune and private firm KPIT Limited was unveiled on 21 August 2022 in Pune.
- On 30 July 2022 the Prime Minister inaugurated the NTPC Green Hydrogen Mobility Project at Leh, Ladakh. It is a pilot project which aims to run five Fuel Cell Buses in and around Leh. This pilot project would be the first deployment of Fuel Cell Electric Vehicles for public use in India.
- Amara Raja Power Systems is setting up India's first green hydrogen fuelling station in Leh, Ladakh for the National Thermal Power Corporation Ltd (NTPC). It will power the NTPC's Hydrogen fuel buses.
- India's first green hydrogen-based advanced fuel cell electric vehicle was launched by Toyota Kirloskar Motor Ltd called **Toyota Mirai**.

10. 3rd Global Fintech Fest to be held in Mumbai (Sept. 16, 2022)

The 3rd edition of the Global Fintech Fest will be held in Mumbai, Maharashtra from 19-22 September 2022.

IMPORTANT FACTS -

- The 3rd Global Fintech Fest will be held in a hybrid mode.
- The Global Fintech Fest is being organised by **National Payment Corporation of India** (NPCI), Payment **Council of India** and the **Fintech Convergence Council**.
- The theme for Global Fintech Fes 2022 is: '**Creating A Sustainable Financial World - Global | Inclusive | Green**'.

What is Fintech :

- It is composed of two words: Financial and Technology. It refers to the technological innovation in the design and delivery of financial products like saving accounts, loans, wealth management, investment in stock markets etc.