

Testwale Current Affairs PDF

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1. India attracts \$13 billion FDI in non-conventional energy sector (Dec. 20, 2022)

India attracts \$13 billion FDI in non-conventional energy sector

The Foreign Direct Investment (FDI) in the Non-Conventional source of energy in India in the last 22 years was **USD 13.034 billion**. This information was given by the Union Minister for New and Renewable Energy (MNRE) R K Singh in the Rajya Sabha on 20 December 2022. The total FDI in India in 2021-22 was \$83.6 billion. Government has allowed **100% FDI through automatic routes in the solar sector**.

Sharing the country-wise details of FDI/ equity inflow during the period April, 2000 to September, 2022, he said Mauritius was the major source of FDI in the sector and it was followed by the United Kingdom, Singapore, Netherland and the United Arab Emirates (UAE).

Non-conventional Source of Energy

Non -Conventional sources of Energy is also called as renewable source of energy as they can be continuously replenished through natural sources. For example solar energy, wind energy, Tidal energy, biofuel, hydropower etc.

What is Foreign Direct Investment (FDI?)

Foreign Exchange Management act 1999(FEMA) which deals with Foreign exchange has defined Foreign Direct Investment.

Foreign Direct Investment is an investment through capital instruments by a person resident outside India (a) in an unlisted Indian company; or (b) in 10 percent or more of the paid-up equity capital of a listed Indian company.

- Unlisted Company means that the Capital instrument of the company is not listed on any stock exchange and it cannot be bought and sold in the market.
- Listed Company means that the Capital instrument of the company is listed on any stock exchange and it can be bought and sold in the market.
- Capital Instrument means an instrument issued by a company to raise capital (money) from the market for business/investment purposes. It includes both Shares (equity) or debenture or bonds.

Routes through which FDI gets in India

There are two routes under which FDI is allowed in India. One is the automatic route and the other is the approval route. Government puts certain sectors in the Automatic list and Approval route.

Automatic route

The foreign investor needs no prior approval from the government of India or Reserve bank of India. For example Thermal power plants, electronic systems etc.

Approval route

The foreign investor needs permission from the government of India before they can invest in these sectors. For eg public sector banks, print media etc.

Sectors where FDI is prohibited in India

- Atomic Energy Generation
- Any Gambling or Betting businesses
- Lotteries (online, private, government, etc)
- Investment in Chit Funds
- Nidhi Company
- Agricultural or Plantation Activities (although there are many exceptions like horticulture, fisheries, tea plantations, Pisciculture, animal husbandry, etc)
- Housing and Real Estate (except townships, commercial projects, etc)
- Trading in Transferable Development Rights(TDR's)
- Cigars, Cigarettes, or any related tobacco industry

2. Nitin Gadkari launches India's first-ever surety bond from Bajaj Allianz (Dec. 19, 2022)

Nitin Gadkari launches India's first-ever surety bond from Bajaj Allianz

Union Minister for Road, Transport and Highways **Nitin Gadkari** launched India's first ever **surety bond insurance product** from the **Bajaj Allianz General Insurance** on 19 December 2022. It is expected to reduce the need for bank guarantee for the infrastructure developers.

What is Surety Bond Insurance?

The Surety Bond Insurance is a risk transfer tool for the principal (authority which has awarded the contract) and shields the principal from the losses that may arise in case the contractor fails to perform their contractual obligation.

In case the contractor doesn't fulfil the contractual terms, the principal can raise a claim on the surety bond and recover the losses they have incurred.

Unlike a bank guarantee, the Surety Bond Insurance does not require large collateral from the contractor thus freeing up significant funds for the contractor, which they can utilise for the growth of the business.

The insurance product will also help in reducing the contractors' debts to a large extent thus addressing their financial worries. The product will facilitate the growth of upcoming infrastructure projects in the country.

Bajaj Allianz General Insurance

Bajaj Allianz General Insurance Company Limited is a joint venture between Bajaj Finserv Limited and Allianz SE (Germany).

It commenced its operation in India in 2001.

Headquarters: **Pune**, Maharashtra

Managing Director and Chief Executive Officer: **Tapan Singhel**

Tagline: **Caringly Yours**

3. RBI imposes Rs 2.66 crore penalty on Bank of Bahrain & Kuwait BSC for violation of cyber security norms (Dec. 19, 2022)

RBI imposes Rs 2.66 crore penalty on Bank of Bahrain & Kuwait BSC

The Banking sector regulator Reserve Bank of India (RBI) imposed a penalty of **Rs 2.66 crore** on **Bank of Bahrain & Kuwait BSC, India operations** for non-compliance with directions on **“Cyber Security Framework”** in Banks on 19 December 2022. In a statement, the Reserve Bank of India (RBI) said the bank failed to implement systems to detect unusual and unauthorized, internal or external activities in its database.

The fines were imposed on the bank by RBI under the **Banking Regulation Act 1949.**

Bank of Bahrain & Kuwait BSC

Bank of Bahrain and Kuwait (BBK) was incorporated in Bahrain in March 1971.

It is a foreign bank which started its India operation in 1986 as a scheduled commercial bank.

It has four branches in India in **Mumbai, New Delhi, and Hyderabad** and at **Aluva** (Kerala).

Country head and Chief Executive Officer: Mallikarjun **Kota**

4. Loans worth Rs 10, 09,511 crore written off in last five financial years: Finance Minister Nirmala Sitharaman (Dec. 19, 2022)

Loans worth Rs 10, 09,511 crore written off in last five financial years

According to the Union Minister for Finance Nirmala Sitharaman, Scheduled commercial banks have written off loans amounting to Rs **10, 09,511 crore** in the **last five financial years** and the process of recovery of dues from the borrowers continues. Speaking in the Lok Sabha on 19 December 2022 she said that the borrowers of written-off loans continue to be liable for repayment and the process of recovery of dues from the borrower in written-off loan accounts continues.

She said that public sector banks could recover only Rs **1,03045 crore** from written off loans from the last five financial years, while the aggregate recovery in the last five years amounts to Rs. **4,80,111 crore.**

What is Loan Write Off?

A loan is written off by a bank where it feels that there is no chance of recovery of loans. They make 100% provisioning for the loan amount and remove the loan from their balance sheets.

According to the Reserve Bank of India , if a loan which has remained Non-Performing Assets (NPA) for the last 4 years and banks has made 100% provisioning for it ,then the bank can remove the loans from its balance sheets via write off.

Bank wise loan off write off

In the last five financial years, State Bank of India (SBI) wrote off Rs 2 lakh crore. Punjab National Bank wrote off Rs 67,214 crore loans, followed by IDBI Bank which wrote off Rs 45650 crores of loans. Among private sector banks, ICICI Bank wrote off Rs 50,514 crores of loans while HDFC Bank wrote off Rs 34782 crore loans.

5. Union Finance Minister lays foundation for new office complex Vaigai at Custom House in Chennai (Dec. 19, 2022)

Union Finance Minister lays foundation for new office complex Vaigai at Custom House in Chennai

Union Finance Minister **Nirmala Sitaraman** on 18th December laid the foundation for a **nine-story new office complex Vaigai** to be built at a cost of Rs 92 Crore at the **Custom House in Chennai**.

Important facts

- She also inaugurated '**Nandavanam**', the central revenue quarters of the **Central Board of Direct Taxes and Central Board of Indirect Taxes and Customs (CBDT & CBIC)** at **Anna Nagar in Chennai**.
- The union minister also inaugurated a micro forest named '**Paimpozhi**' inside the Nandavanam campus.
- The new office complex '**Vaigai**' will have two basements for harbouring government agencies.
- It will be built at a cost of Rs 91.64 crore over an expanse of around **1.70 lakh sq.ft.**
- Sitaraman also informed that a creche will be opened for the benefit of the women employees and the building will be energy efficient.

6. AU Small Finance Bank and HDFC Life announce bancassurance tie-up (Dec. 17, 2022)

AU Small Finance Bank and HDFC Life announce bancassurance tie-up

AU Small Finance Bank, and **HDFC Life company** has entered into a bancassurance agreement under which the customers of the Au bank can access the entire life insurance product the HDFC life company.

Bancassurance

It is the selling of insurance products through banking channels. In Bancassurance a bank enters into an agreement with an Insurance company. The Bank makes its customer database available to the Insurance companies. If the bank customer buys the insurance products then the bank will receive a commission from the Insurance companies.

Here both the bank and the Insurance companies benefit. The Insurance companies get new customers and banks earn extra income.

Regulator of Bancassurance in India

Bancassurance sector is regulated by the **Insurance Regulatory and Development Authority of India (IRDAI)**.

AU Small Finance Bank

It is the largest Small Finance Bank in India which started its operation on 19 April 2017.

Headquarter s: Jaipur, Rajasthan

Managing Director and Chief Executive Officer: **Sanjay Aggrawal**

Tagline of the bank: **Badlaav Humse Hai**

HDFC Life Insurance Company limited

It is a joint venture of HDFC Ltd and Standard Life Aberdeen (Mauritius Holdings) Limited. It started its operation in 2000.

It is one of the largest private sector insurance companies in India.

Headquarters: **Mumbai**

Managing Director and Chief Executive Officer: Vibha **Padalkar**

Tagline: Sar Utha ke Jiyo

7. NMDC wins IEI Industry Excellence Award 2022 (Dec. 17, 2022)

NMDC wins IEI Industry Excellence Award 2022

National Miner **National Mineral Development Corporation (NMDC)** won the coveted IEI (Institution of Engineers, India) **Industry Excellence Award 2022** on 16th December, 2022 in **Chennai**.

Important facts

- On behalf of NMDC, **N R K Prasad, CGM (IE & MS)**, received the award from **Dr K Ponmudy**, Minister for Higher Education, Government of Tamil Nadu.
- NMDC, the **largest producer of iron ore** in the country, was honoured at the **37th Indian Engineering Congress** for its outstanding performance and high level of business excellence.
- The Institution of Engineers (India) has given the Industry Excellence Award to NMDC , after reviewing the business operations, financial performance, environmental performance, research and development, CSR and corporate governance policies of a company.

- With an **eco-friendly, economic and efficient approach**, NMDC is undertaking
- transformational projects to maintain its domestic leadership and move towards becoming a global mining company.

About NMDC

- It was incorporated in **1958** as a Government of India **public enterprise**.
- It is India's largest producer of iron ore.
- Since inception, under the administrative control of the Ministry of Steel, it has been exploring minerals including copper, rock phosphate, limestone, magnesite, diamond, tungsten and beach sand, among others.
- Headquarters: **Hyderabad**

8. UPICON and JadooZ to create 1,000 rural entrepreneurs in Edutainment in Uttar Pradesh (Dec. 17, 2022)

UPICON and JadooZ to create 1,000 rural entrepreneurs

U.P. Industrial Consultants Limited (UPICON) and **JadooZ Company** have joined hands to create **1,000 rural** entrepreneurs in Uttar Pradesh through rural edutainment centres called '**Magic Rooms**'.

The **Magic room** is based on the concept of common infrastructure usage for Education and Cinema'. It will perform the dual function of big-screen-based live interactive education in the day and will double up as a 'First Day First Show' cinema in the evening.

Both UPICON and JadooZ will train 1000 entrepreneurs in rural Uttar Pradesh. UPICON expects every Magic Room to create direct and indirect employment to more than 25,000 people and create a new direct and indirect economy of Rs 1,000 Crores annually.

The first two 'Magic Rooms' are expected to be inaugurated in rural clusters surrounding **Lucknow** and **Basti**.

JadooZ is an entertainment start-up based in NOIDA, is in the business of setting up mini theaters in rural areas with an average seating capacity of 30-50. The mini theaters are normally used for educational purposes in the daytime and for cinema at night time.

UPICON Managing Director: **Pravin Singh**

9. PNB Housing Finance opens 'Roshni' branches to push its affordable housing financing scheme (Dec. 17, 2022)

PNB Housing Finance opens 'Roshni' branches

PNB Housing Finance on 16 December 2022 announced that it has opened '**Roshni**' branches in various locations, including tier II and III cities, for deepening its customer base in the affordable housing segment.

Under the Roshini initiative, PNB Housing Finance will offer retail home loans to individuals in the range of **Rs 5 lakh to Rs 30 lakh**.

The company's Roshni branches have been inaugurated in Chennai, Coimbatore, Ghaziabad, Hyderabad, Indore/Ujjain, Lucknow, Mumbai, Nagpur, Pune, Rajkot and Varanasi.

Under the Roshini scheme the borrowers can get loans for purchase of house property, self-construction, home extension/renovation, plot purchase plus construction, loan against property, among others.

PNB Housing Finance Limited

PNB Housing Finance Limited is a subsidiary company of Punjab National Bank.

It is a **Non-Banking Financial Company (NBFC)** which provides housing loans to individuals and corporations.

Headquarters: **New Delhi**

Managing Director and Chief Executive Officer: **Girish Kousgi**

Tagline: **Ghar Ki Baat**

Housing Finance Companies in India are regulated by the Reserve Bank of India.

10. RIL lunches its FMCG Brand 'Independence' (Dec. 16, 2022)

RIL lunches its FMCG Brand 'Independence'

India's largest private sector company Reliance Industries limited (RIL) entered into the highly competitive Indian Fast Moving Consumer Goods(FMCG) market with the soft launch of its "**Independence**" brand in **Ahmedabad** ,Gujarat on 15 December 2022.

The company will offer packaged indigenous consumer goods including processed foods, edible oils, pulses, grains, staples and daily essentials under the Independence brand.

The FMCG business of RIL is being handled by Reliance Consumer Products, a subsidiary of Reliance Retail Ventures Ltd. Reliance Retail Ventures limited is a wholly owned subsidiary of RIL.

Speaking on the occasion, **Isha Ambani**, Director Reliance Retail Ventures Ltd said that soon the 'Independence' brand will be extended all over India.

Some of the top FMCG companies in India are Hindustan Unilever Ltd, Nestle, Dabur, Marico, Parle etc.

What are Consumer durable goods and FMCG?

Consumer goods on the basis of its usage has been broadly divided into durable and non - durable goods.

Consumer non-durable goods or Fast Moving Consumer Goods (FMCG) are consumer goods which are almost used daily by the consumer and are generally sold at a low cost so that it is affordable to many. It has a low shelf life and needs to be replenished more frequently. Some of the examples of the FMCG products are tea, biscuit, milks, soaps, perfumes etc.

Consumer durables goods are those goods which are not frequently purchased by the consumers and have longer shell life. For example electronics items like TV, mobile phones, or cars etc.