

## Testwale Current Affairs PDF

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### **1. SBI reduces the interest rate on saving accounts deposit to 2.70% ( Oct. 18, 2022 )**

India's largest commercial bank State Bank of India (SBI) has reduced the interest rate on savings accounts by a marginal 5 basis points to 2.70 per cent effective from 15 October 2022. 100 basis points is equal to 1%.

The new saving rates are applicable on balances **of less than Rs 10 crore**, on which the bank earlier offered 2.75 per cent per annum interest.

However, on saving account balances of Rs 10 crore and above, SBI has increased the deposit rates **to 3 per cent per annum** from 2.75 percent earlier.

The lowering of rates on savings accounts by SBI comes at a time when the peer lenders have been raising deposit rates to mobilize funds.

### **Interest Rates on Saving account**

Reserve Bank of India deregulated the interest rate on the saving accounts from 25 October 2011. It means that the interest rates on the savings account is decided by banks themselves, not RBI.

There is **no minimum or maximum interest prescribed by the RBI for the banks** .

### **Bank's can offer extra interest to certain persons**

RBI has allowed the Scheduled Commercial Banks to offer extra upto 1% interest to the following persons/groups ;

- a member or a retired member of the bank's staff, either singly or jointly with any member or members of his/her family; or
- the spouse of a deceased member or a deceased retired member of the bank's staff; and
- an Association or a fund, members of which are members of the bank's staff;
- on deposits of Chairman, Chairman & Managing Director, Executive Director or such other Executives appointed for a fixed tenure.

### **State Bank of India**

It is the largest commercial bank in India and is owned by the Government of India.

It has over 22,000 branches, 71,968 Banking Correspondents outlets.

It has 229 offices/branches in 31 foreign countries. Amongst all the Indian banks, SBI has the largest number of branches/offices outside India.

**Chairman of SBI:** Dinesh Kumar Khara

**Managing Director of SBI :** Alok Kumar Choudhary

Headquarters: **Mumbai**

Tagline :**The banker to every Indian**

## **2. Nirmala Sitharaman returns to India after a six day visit to the United States ( Oct. 17, 2022 )**

Union Finance Minister **Nirmala Sitharaman** returned to India after a successful 6 days (11-16 October 2022) visit to the United States of America. She was in America to attend the **46th Annual meeting of the International Monetary Fund (IMF) and World Bank meeting held at Washington D.C. from 10-16 October 2022.**

The minister also attended G20 Finance Ministers and Central Bank Governors meeting. India will take over the chairmanship of the [G-20](#) from Indonesia after a summit meeting in November 2022.

She also met the US Treasury Secretary **Janet Yellen** and World Bank President **David Malpass**.

### **Annual Boards of Governors of the International Monetary Fund (IMF) and World Bank Group meeting**

The Boards of Governors of the International Monetary Fund (IMF) and World Bank Group (WBG) normally meet once a year to discuss the work of their respective institutions. The Annual Meetings, which generally take place in September/October, have customarily been held in Washington for two consecutive years and in another member country in the third year.

### **The 2023 Annual meeting will be held in Marrakech, Morocco.**

The Annual Meetings include meetings of the Development Committee, the International Monetary and Financial Committee, the Group of Ten, the Group of Twenty-Four, and various other constituencies.

The Inaugural Meeting of the Boards of Governors was held in Savannah, Georgia, USA in March 1946. The first Annual Meetings were held in Washington in 1946.

### **International Monetary Fund and World Bank**

The International Monetary Fund and World Bank were set up in 1944 after an International conference held at Bretton Woods, New Hampshire, United States in 1944.

Both the international financial institutions are also called **Bretton Woods twins** or **Bretton Woods's sisters**.

### **Both the institutions were set up to perform different functions.**

The IMF was set up to provide loans to the member countries facing a balance of payment crisis.

The World Bank provides loans to the member countries for development purposes.

At present **189 countries** are members of the IMF. Country which is a member of the IMF, automatically becomes a member of the World Bank.

Both the institutions headquarters are at **Washington D.C, United States of America**

### **World Bank Group**

The World Bank was initially called the International Bank for Reconstruction and Development (IBRD). It was set up to provide loans to the countries for economic development purposes. Later on the World Bank created new institutions according to the emerging different needs of the member countries.

**At present the World groups includes five institutions:**

- International Bank for Reconstruction and Development (IBRD),
- International Financial Corporation(IFC),
- International Development Assistance (IDA),
- Multilateral Investment Guarantee Agency (MIGA) and
- International Center for Settlement of International Dispute (ICSID).

**3. India to meet \$2 trillion export target by 2030: Piyush Goyal ( Oct. 17, 2022 )**

Speaking at the Exporters Conclave held at **Chennai** on 16 October 2022, Union Minister for Commerce and Industry Piyush Goel said that India will achieve the export target for goods and services to **\$ 2 trillion by 2030.**

India's total export in 2021-22 was **671.81 billion**. India exported **\$417.81 billion** worth of goods in 2021-22 and the service sector export in 2021-22 was **\$254 billion**.

In the current financial year the export of goods from India in the [first six months](#) (April - September 2022) was **\$229.05 billion**.

The Minister also said that by **2047**, the country will become a **\$ 30 trillion economy** with 25 per cent share in exports.

In 2021-22, the share of exports in the country's Gross Domestic Product (GDP) **was 21.4%** .The share of the export of goods to the GDP was **13.3%** in 2021-22 while the share of the service sector was **8.1%** of GDP.

The Export conclave was organised by the Federation of the Indian Export Organisation (FIEO).

**Federation of the Indian Export Organisation (FIEO)**

It was set up by the Union Ministry of Commerce in 1965 as an apex export promotion body in India.

It works to bring together and coordinate all the stakeholders engaged in the promotion of exports from India.

It provides the crucial interface between the International Trading community of India with the Central and State Governments, Financial Institutions, Ports, Railways, Surface Transport and all engaged in Export Trade Facilitation.

Headquarters: **New Delhi**

President of FIEO: **Dr A Sakthivel**

#### **4. India can attract FDI worth \$475 billion in next 5 years; EY-CII report India can attract FDI worth \$475 billion in next 5 years; EY-CII report ( Oct. 17, 2022 )**

According to a recent report of Ernst and Young (EY) -Confederation of Indian Industries (CII) titled “**Vision - Developed India: Opportunities and Expectations of MNCs**”, India’s focus on reforms and economic growth will result in foreign direct investment (FDI) **of \$475 billion in the next five years**”. In 2022-23 the total FDI in India was \$84.8 billion.

#### **Reasons for expecting record \$475 billion in the next 5 years**

The report is based on the survey done by the EY-CII with the Multinational Companies (MNC). The report has listed some factors which are making India a favourite Investment destination for the MNC’s. They are as follows;

Most of the Multinational companies (MNC) expects the Indian economy will perform significantly better in the next three to five years and in the long term.

India is seen as an emerging manufacturing hub in global value chains, a growing consumer market, and a global leader in the digital transformation of government and private sectors alike.

The Government initiative like Production Linked Incentive (PLI) which seeks to make domestic manufacturing globally competitive and create global champions in manufacturing will also help India in attracting significant investment.

**Ernest and Young Global limited** is a British multinational consultancy company. **Confederation of Indian Industries (CII)** is an Indian business lobby of companies in India.

#### **5. Indian Army signs agreement with 11 banks for 'Agniveer salary package' ( Oct. 16, 2022 )**

The Union Ministry of Defence in a statement released on 15 October 2022 has said that the Indian Army has signed an agreement with 11 scheduled commercial banks for providing banking facilities to Agniveers.

These Banks are ;State Bank of India, Punjab National Bank, Bank of Baroda, IDBI Bank, ICICI Bank, HDFC Bank, Axis Bank, Yes Bank, Kotak Mahindra Bank, IDFC First Bank and Bandhan Bank. These banks will open the salary account of the newly recruited Agniveers of the Indian Army.

#### **Agnipath Scheme**

In a major reform in the defence sector human resource policy the government of India introduced “Agnipath scheme’ for Army, Air Force and Navy.

Under the scheme the government will recruit personnel below officer rank in the three services called Agniveers for a period of **4 years**.

The Agniveers will form a distinct rank in the three services, and will also wear a distinct insignia as part of their uniform.

The banks will offer soft loans to existing Agniveers to promote and enhance their entrepreneurial skills.

The first batch of Agniveers under “Agnipath Scheme” will be joining Training Centres by January 2023,

Union Minister for Defence: **Rajnath Singh**

## **6. Prime Minister Modi dedicates 75 Digital Banking Units to the country ( Oct. 16, 2022 )**

Prime Minister Narendra Modi dedicated 75 Digital Banking Units (DBUs) in 75 districts of the country on 16 October 2022 virtually. Union Finance **Minister Nirmala Sitharaman** and Reserve Bank of India Governor **Shaktikanta Das** also participated virtually. DBU is a joint initiative of the Government of India, the RBI, the Indian Banks Association and the participating banks.

Nirmala Sitharaman in her budget speech 2022-23 announced the setting up of 75 Digital Banking Units (DBU) in the 75 districts of the country to commemorate the 75 years of Independence.

The setting up of the DBU is a step in strengthening financial inclusion in the country. DBUs will enable customers to have cost-effective, convenient access and enhanced digital experience of banking products and services throughout the year.

### **How many banks are involved in the project?**

11 Public Sector Banks, 12 Private Sector Banks and one Small Finance Bank are participating in the endeavour.

### **What is a Digital Banking Unit?**

- A digital banking unit (DBU) is a specialised business unit of a bank that houses certain minimum digital banking products and services.
- The products and services in these Units will be provided in two modes, namely, self-service and assisted modes (bank staff will help the customer), with self-service mode being available 24x7.
- According to the RBI, banks are also free to engage the services of digital business facilitators and business correspondents to expand the footprint of the DBUs.

### **Service provided by DBU**

According to the RBI the DBU units can provide following services;

- It will provide certain minimum digital banking products and services including account opening, providing digital kits to customers and merchants, as well as cash withdrawal and deposit services. insurance, investment facilities to its customers,
- It will onboard retail and MSME(Micro Small and Medium Enterprises) loan customers,
- It will provide end-to-end digital processing of small ticket retail and MSME loans, starting from online applications to disbursals,
- The DBUs will also provide services related to certain identified government sponsored schemes,
- They will spread Digital Financial Literacy and special emphasis will be given to customer education on cyber security awareness and safeguards.

## **Indian Bank Association**

- The Indian Banks' Association (IBA) was formed on September 26, 1946 with 22 members. As of April, 2018 the total Membership of the Association is 239.
- It includes Public sector Bank, Private Sector Banks, Foreign Banks, Co-operatives, Regional Rural Bank, and All India Financial Institutions.
- It is a representative body of banks in India to promote and develop in India sound and progressive banking principles, practises and conventions and to contribute to the developments of creative banking.
- It helps the government in formulating Human Resources policy for the banking sector.

**Current Chairman:** Punjab National Bank's MD & CEO **Atul Kumar Goel** is the chairman of the Indian Banks' Association (IBA)

Headquarters of IBA: **Mumbai**

## **7. India set to become 3rd largest economy in the world by 2027-28: IMF ( Oct. 15, 2022 )**

According to the [World Economic Outlook Report 2022](#) released by the International Monetary Fund (IMF) on 11 October 2022, India is expected to become the **third largest economy in 2027-28** by overtaking Japan. Earlier [SBI](#) in its report had predicted that India will become world's 3rd largest economy by 2028-29.

### **India still 6th largest economy in the world**

However India is still the **6th largest economy** in the world after the United Kingdom in 2021-22. The Indian Gross Domestic Product (GDP) 2021-22 was \$ 3.18 trillion while the United Kingdom GDP was \$ 3.19 trillion.

According to the IMF India will overtake the **UK in 2022-23**. India would become a \$3.47-trillion economy in 2022-23, while the UK's would be \$3.2 trillion in the same period.

Earlier, a [Bloomberg](#) report stated that India has overtaken the UK in the fourth quarter of 2021-22, basing it on IMF data. However, that comparison was made on quarterly data and not on yearly data.

### **Future Projection of Indian Economy**

According to IMF projections, the Indian Economy will be equal to the German economy in **2025-26** and will become the **4th largest** in the world.

India's economy will not be able to achieve the \$5 trillion mark as hoped by the Finance Ministry by 2026-27 but it will be a \$4.94 trillion economy.

In **2027-28** the India economy is expected to be at the \$5.36-trillion mark, higher than Japan's at \$5.17 trillion. That year, India would become the third-largest economy.

According to the IMF, **the United States was the largest economy** in the world followed by China, Japan, Germany and the United Kingdom.

Managing Director of IMF: **Kristalina Georgieva**

IMF headquarters: **Washington D.C, United States of America**

## **8. Coconut Community Farmers' Conference ( Oct. 15, 2022 )**

On October 14, 2022, the '**Coconut Community Farmers' Conference**' was organised in **Coimbatore**.

### **Important facts**

- Union Minister for Agriculture and Farmers Welfare, **Narendra Singh Tomar** inaugurated the Conference.
- Tomar said that the government would continue to provide all possible assistance to the farmers in the coastal states to promote coconut cultivation in the country.
- Efforts made in the field of research and development in recent years have resulted in the development of new technologies in farming and processing as well as improvements in existing technologies.
- With the increase in the number of coconut based industries in the country, new products and employment opportunities are also increasing.
- The contribution of coconut cultivation in the agricultural economy is very important. India is a leader in coconut cultivation.

### **Coconut production in India**

- India is one of the **third largest producers of coconut** in the world.
- **Tamil Nadu ranks first** in coconut processing activities.
- **Coimbatore ranks first in terms of area under coconut cultivation**, where coconut is cultivated in an area of 88,467 hectares.
- Support is being provided for setting up 537 new processing units in India with a processing capacity of 3,638 million coconuts per annum, of which 136 are in Tamil Nadu.
- **Indonesia is the world's leading coconut producer**, The **Philippines** is the world's **second** largest producer of coconuts.

## **9. IRDA fines Axis Bank Rs 2 crore and Max Life Insurance company Rs 3 crore ( Oct. 15, 2022 )**

The Insurance Regulatory and Development Authority (IRDAI) has imposed a fine of **Rs 3 crore penalty on Max Life Insurance company** and **Rs 2 crore** on the [Axis Bank](#) on 14 October 2022, for violation of its rules in the Axis Bank-Max Life deal.

The insurance regulatory body stated that 2021 financial transactions between Axis Bank and Max Financial are in violation of IRDAI code.

### **What was the case?**

According to the IRDAI" Axis Bank sold its stake of 0.998 per cent shares of Max Life in March 2021 to MFSL (Max Financial Service Ltd) and MSI (Mitsui Sumitomo International.) at Rs 166 per share.

Later, in March-April 2021, Axis Bank and its Group entities acquired 12.002 per cent shares from MFSL at a price range of Rs 31.51-Rs 32.12 per share. This is not in compliance with the directions issued by the Authority."

Hence IRDAI fined Axis Bank Rs 2 crore for making undue gains of substantial amounts by way of transactions in shares of Max Life Insurance and in violation of other norms.

Max Life Insurance Company was also fined Rs 3 crore in the same case for violating the IRDAI norms.

Currently, Axis Bank and its two subsidiaries -- Axis Capital Ltd and Axis Securities Ltd -- collectively **own 12.99 percent of Max Life Insurance** post approval of the deal in April last year.

**Max Life Insurance Company** is a joint venture between Max India limited and Axis Bank. The New Delhi based Insurance Company started its operation in 2001.

Prashant Tripathi is the CEO of the Max Life Insurance company.

### **Insurance Regulatory and Development Authority (IRDAI)**

It is the regulator of the Insurance sector in India.

It was set up in 1999. It was made a statutory body in April 2000 under the Insurance Regulatory and Development Authority act 1999.

IRDAI was set up on the recommendation of the **RN Malhotra committee** on Insurance reform. The Malhotra committee was set up in 1993.

Headquarters: **Hyderabad**

Chairperson: **Debasish Panda**

## **10. Prime Minister Modi to inaugurate PM Kisan Samman Sammelan 2022 on October 17 ( Oct. 15, 2022 )**

Prime Minister **Narendra Modi** will inaugurate **PM Kisan Samman Sammelan 2022** on 17th October, 2022 at **Mela Ground, Indian Agriculture Research Institute, Pusa in New Delhi.**

### **Important facts**

- On this occasion, the Prime Minister will release **Rs 16,000 Crores** under the PM-KISAN flagship scheme as **12th instalment** through Direct Benefit Transfer.
- The Prime Minister will also inaugurate the **Agri Start-up Conclave and Exhibition.**
- He will also inaugurate **600 PM Kisan Samridhi Kendras (PM-KSKs)** of the Union Ministry of Chemicals and Fertilizers.



- On this occasion he will also launch **Bharat Urea Bags**, India's biggest move in fertilizers-**One Nation One Fertilizer Scheme** for Farmers.
- During this event, the Prime Minister will launch an international weekly **fertilizer e-magazine** Indian Age.

### **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)**

- It was launched on **24 February, 2019 by PM Modi** to supplement financial needs of land holding farmers.
- Under the scheme financial benefit of **Rs 6000 per year** in three equal instalments, **every four month** is transferred into the bank accounts of farmers' families across the country through **Direct Benefit Transfer (DBT) mode**.
- It is a central sector scheme with **100% funding by the Government of India**.
- It is being implemented by the **Ministry of Agriculture and Farmers Welfare**.
- So far, eligible farmer families have received benefits of more than **Rs 2 lakh crore under PM-KISAN** through 11 instalments.