



# Daily Current Affairs

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**BANKING, FINANCE & BUSINESS**

**Reserve Bank of India Relaxes Capital Adequacy Norms for Non-Banking Finance Companies Financing High-Quality Infrastructure Projects**

- The Reserve Bank of India (RBI) has eased capital adequacy norms for Non-Banking Finance Companies (NBFCs) lending to high-quality infrastructure projects through the NBFC (Prudential Norms on Capital Adequacy) Amendment Directions, 2026.

**Key Highlights :**

- The RBI has reduced risk weights on such exposures, allowing a **75% risk-weight** if the borrower has repaid at least **2% of the sanctioned project debt**, compared to the earlier draft requirement of **5–10% repayment**.
- A **lower 50% risk-weight** will apply if the borrower has repaid at least **5% of the sanctioned project debt**, relaxed from the earlier draft threshold of **10% or more**.
- **Lower risk weights** reduce the **capital that NBFCs must set aside**, thereby encouraging lending to **operational, lower-risk infrastructure projects**.
- A project will be treated as **“high-quality”** if it has **completed at least one year of operations after the Commercial Operation Date (COD)**, has no breach of **material covenants**, and the exposure is classified as **‘standard’**.
- Project revenues must arise from **government or public authority concessions or contracts**, with **legal protection of rights** throughout the **concession period**, subject to **fulfilment of borrower obligations**.
- The amended directions will come into effect from **April 1, 2026**, or earlier if an **NBFC opts for full adoption**, and aim at **better risk alignment, efficient capital allocation, and safer infrastructure financing**.
- For exposures that currently enjoy a **lower risk weight** but would attract a **higher risk weight under the new norms**, NBFCs may continue with the **existing risk weight** until the next review or renewal or **March 31, 2027**, whichever is earlier.

Reserve Bank eases capital norms for NBFCs financing high-quality infrastructure projects

**Our Bureau**  
The RBI has eased prudential norms on capital adequacy for non-banking finance companies (NBFCs) giving loans to high-quality infrastructure projects, even as it has offered high degree of protection to the lenders under new amendment directions.  
The amendment directions are aimed primarily at aligning risk weights with the actual risk characteristics of operational infrastructure projects, thereby promoting better risk assessment and capitalisation, said the RBI.  
Under the RBI (NBFC – Prudential Norms on Capital Adequacy) Amendment Directions, 2026, loans extended by NBFCs to high-quality infrastructure projects, where the borrower has repaid at least 2 per cent of the sanctioned project debt, will attract 75 per cent risk-weight.  
**DRAFT GUIDELINES**  
In the draft guidelines, the repayment threshold for attracting 50 per cent risk-weight was set higher – the obligor had to repay at least 5 per cent, but less than 10 per cent of the sanctioned amount.  
Risk-weight decides the amount of capital a lender has to set aside for making a loan. Higher the risk-weight, more capital a lender has to set aside. Further, loans extended by NBFCs to high-quality infrastructure projects, where the borrower has repaid at least 5 per cent of the sanctioned project debt, will attract 50 per cent risk-weight.  
In the draft guidelines, the repayment threshold for attracting 50 per cent risk-weight was set higher – the obligor had to repay at least 10 per cent of the sanctioned amount.  
The RBI said infrastructure projects will be considered high quality if they meet criteria, such as the project completing at least one year of operations post achievement of the date of completion of commercial operations without breach of any material covenants stipulated by the lender, and the exposure is classified as ‘standard’ in the books.  
Further, the borrower’s revenue should depend on rights granted under concession contract by the Central government, a State government, a public sector entity, or a statutory or regulatory body, and the contractual provisions provide for protection of these rights for the entire period of concession/contract as long as the borrower fulfils its obligations under the contract.  
Another stipulation for considering project as high-quality is that the concession/contract provisions provide for a high degree of protection to lender.  
This shall, at a minimum, include (i) provision of an escrow/trust and retention account mechanism for ring-fencing the cash flows, payments charge in favour of the lender over all movable and immovable assets, and mitigation of risk for lenders in case of early termination (step-in rights for the lenders, minimum termination payments).



**Government Announces Floating Rate Savings Bond 2020 (Taxable) Interest Rate for January–June 2026**

- The **Floating Rate Savings Bond, 2020 (Taxable) – FRSB 2020(T)** interest rate has been announced for the period **January 1, 2026, to June 30, 2026**.
- As per the **Government of India notification dated June 26, 2020**, the **FRSB interest rate is reset every six months**, ensuring linkage with prevailing small savings rates.
- The **coupon rate** on FRSB is fixed at **35 basis points (0.35%) above the National Savings Certificate (NSC) interest rate**.
- For the current half-year, the **NSC rate stands at 7.70%**, and with the **+0.35% spread**, the **FRSB interest rate is 8.05%**.
- **Interest for this period will be paid on July 1, 2026**, and since the bond is **taxable**, the **interest earned is added to the investor’s income** and taxed according to the **applicable income tax slabs**.

Rate of Interest on Floating Rate Savings Bond, 2020 (Taxable) – FRSB 2020(T) for the Period January 01, 2026 – June 30, 2026
In terms of Para 13 (b) of Government of India Notification F.No.4/10-B(W&M)/2020 dated June 26, 2020 on Floating Rate Savings Bonds, 2020 (Taxable)-FRSB 2020 (T), the coupon/interest rate of the bond would be reset half yearly, starting with January 01, 2021 and the coupon/interest rate will be set at a spread of (+) 35 bps over the prevailing National Savings Certificate (NSC) rate.
2. Accordingly, the coupon rate on FRSB 2020 (T) for the period January 01, 2026, to June 30, 2026 and payable on July 1, 2026 remains at 8.05% (7.70%+0.35%), unchanged from the previous half-year.

Ajit Prasad  
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(Communications)

**Floating Rate Savings Bond:**

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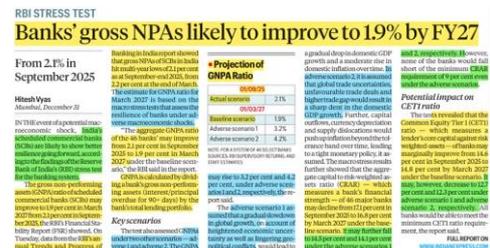
- **Floating Rate Savings Bonds**, a safe, government-backed investment in India issued by the Reserve Bank of India (RBI), offering a variable interest rate linked to the National Savings Certificate (NSC) rate plus a spread (currently 0.35%), payable semi-annually over a 7-year term, ideal for risk-averse investors seeking stable income, with options for premature withdrawal for seniors.

**Key Features**

- **Investment:** Minimum ₹1,000, no upper limit, in multiples of ₹1,000.
- **Eligibility:** Indian residents and HUFs.
- **Taxability:** Interest earned is taxable.

**Reserve Bank of India Projects Scheduled Commercial Banks' Gross Non-Performing Assets Ratio to Improve to 1.9% by March 2027**

- The Reserve Bank of India (RBI) projects that **Gross Non-Performing Assets (GNPAs) of Scheduled Commercial Banks (SCBs) will improve to 1.9% by March 2027** under the **baseline scenario**, from **2.1% in September 2025**, indicating continued improvement in **asset quality**.
- These projections are based on **macro stress tests** conducted on **46 major banks**, aimed at assessing the **resilience of the banking system** against **adverse macroeconomic shocks**.



**Key Highlights :**

- Under **Adverse Scenario-1**, the **GNPA ratio** may increase to **3.2%**, while under **Adverse Scenario-2**, it could rise further to **4.2% by March 2027**, reflecting potential stress conditions.
- Despite severe stress assumptions, **no bank is expected to breach the minimum Capital to Risk-Weighted Assets Ratio (CRAR) requirement of 9%**, highlighting **strong capital buffers** across the banking system.
- The **aggregate CRAR** of banks is projected to decline marginally from **17.1% (September 2025) to 16.8% (March 2027)** under the **baseline scenario**, and to **14.5% and 14.1%** under the two **adverse scenarios**.
- The **Common Equity Tier-1 (CET1) ratio** is expected to **improve slightly to 14.8% by March 2027** under the **baseline**, but may fall to **12.7% and 12.3%** under **adverse scenarios**.
- Overall, the **RBI stress test results** indicate that **Indian banks remain resilient**, with **improving asset quality** in normal conditions and **adequate capital strength** even under **severe stress scenarios**.
- **GNPA** is calculated as the **ratio of gross non-performing assets—loans with interest or principal overdue for more than 90 days—to a bank's total lending portfolio**, and serves as a key indicator of **asset quality**.

**Credit Guarantee Scheme for Exporters Operational on Jan Samarth Portal from December 1, 2025**

- **Exports are a critical pillar of India's economy**, contributing nearly **21% of GDP**, generating **robust foreign exchange inflows**, supporting the **current account balance**, and ensuring **macroeconomic stability**.

Credit Guarantee Scheme for Exporters (CGSE) made operational through Jan Samarth Portal w.e.f. 1 December 2025

Applications amounting to over ₹8,500 crores and sanctions of over ₹3,100 crores received within first month  
 Scheme benefits MSME and non-MSME exporters by supporting liquidity, market diversification and employment  
 Government to provide 100% guarantee for additional loan facility under the scheme

Exports being a critical pillar of the Indian economy, account for nearly 21% of GDP and robust foreign exchange inflows. With over 45 million people being directly and indirectly employed under the export oriented industries, the MSMEs contribute nearly 45% of total exports. Such a sustained export growth has been instrumental in supporting India's current account balance and macroeconomic stability.  
 The Credit Guarantee Scheme for Exporters (CGSE) being implemented by the Department of Financial Services, has been made operational since 01.12.2025 enabling banks and financial institutions (Member Lending Institutions - MLIs) to extend additional financial assistance to Indian exporters during a period of uncertain trade flows. Further, the scheme will directly support exports and reduce their global competitiveness. The objective of the proactive intervention is to provide a credit guarantee for exporters and MSMEs which will facilitate additional credit to them. This will directly provide liquidity, ensure business continuity and create opportunities to expand into new markets.

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### Key Highlights :

- **Export-oriented industries employ over 45 million people**, both directly and indirectly, while **MSMEs contribute about 45% of India's total exports**, underlining their importance in **sustained export growth**.
- To support exporters amid **global uncertainties and external headwinds**, the **Department of Financial Services (DFS)** operationalised the **Credit Guarantee Scheme for Exporters (CGSE)** from **December 1, 2025**, with the **Government providing a 100% guarantee for additional loan facilities** under the scheme.
- The **CGSE** provides a **credit guarantee to exporters and MSMEs**, enabling **banks and financial institutions (Member Lending Institutions – MLIs)** to extend **additional collateral-free credit**, thereby improving **liquidity** and ensuring **business continuity**.
- The scheme envisages **collateral-free credit support of up to ₹20,000 crore to direct and indirect exporter MSMEs** through **eligible MLIs**.
- As of **December 31, 2025**, **1,788 applications** amounting to **₹8,599 crore** were received, of which **716 applications** worth **₹3,141 crore** were **sanctioned**, reflecting **strong confidence among exporters and MSMEs**.
- Eligible exporters can avail **working capital loans up to 20% of their existing export credit or working capital limits**, helping them **upgrade capabilities, enhance global competitiveness, and diversify into new and emerging markets**.
- By improving **liquidity access**, the scheme aims to **ensure continuity of operations, sustain employment, and strengthen India's export ecosystem**.
- The **CGSE** is open until **March 31, 2026**, or until **guarantees worth ₹20,000 crore are issued**, and is implemented by **DFS through the National Credit Guarantee Trustee Company Limited (NCGTC)**.

### Reserve Bank of India Imposes Nearly ₹27 Crore in Penalties on Banks in 40 Cases During 2025

- The **Reserve Bank of India (RBI)** imposed nearly **₹27 crore in monetary penalties** across **40 instances on banks during calendar year 2025 (CY25)** for various **regulatory violations**.

### Key Highlights :

- **Private Sector Banks (PVBs)** accounted for the **highest penalty burden**, paying **₹16.28 crore**, which is **almost double** the amount paid by **Public Sector Banks (PSBs)**.
- **Jammu & Kashmir Bank** faced the **single largest penalty among private banks**, amounting to **₹3.31 crore in March 2025** for **multiple violations**, making it the **most penalised bank by value in CY25**.
- **Public Sector Banks** paid total penalties of **₹8.78 crore**, with the **State Bank of India (₹1.72 crore)** being the **most penalised PSB**, followed by **Canara Bank** and **Indian Bank**.
- **Small Finance Banks (SFBs)** were fined over **₹2.5 crore**, led by **Jana Small Finance Bank (₹1 crore)**, mainly for **capital structure and shareholding norm violations**.
- **Foreign banks** paid around **₹1.95 crore in penalties**, with **HSBC (₹66.6 lakh)** and **Deutsche Bank (₹50 lakh)** among the **top fined**, primarily for **KYC, FEMA, and regulatory reporting lapses**.

RBI Monetary Penalties on Private Banks (CY 2025)



Bank	Penalty Imposed	Bank	Penalty Imposed
J&K Bank	Rs 3.31 Crore	Bandhan Bank	Rs 44.70 Lakh
Jana SFB	Rs 1 Crore	IDFC First	Rs 38.60 Lakh
Jammu & Kashmir Bank	Rs 99.30 Lakh	Tamilnad Mercantile Bank	Rs 39.60 Lakh
ICICI Bank	Rs 97.80 Lakh	IDBI Bank	Rs 36.30 Lakh
HDFC Bank	Rs 91 Lakh	IDBI Bank	Rs 31.80 Lakh
ICICI Bank	Rs 75 Lakh	American Express	Rs 31.80 Lakh
HDFC Bank	Rs 75 Lakh	Axis Bank	Rs 29.60 Lakh
Punjab & Sind Bank	Rs 68.20 Lakh	YES Bank	Rs 29.60 Lakh
Equitas SFB	Rs 65 Lakh	Fino Payments Bank	Rs 29.60 Lakh
Kotak Mahindra Bank	Rs 61.95 Lakh	Federal Bank	Rs 27.30 Lakh
Kotak Mahindra Bank	Rs 61.40 Lakh	India Post Payments Bank	Rs 26.70 Lakh
Nainital Bank	Rs 61.40 Lakh	Karur Vysya Bank	Rs 8.30 Lakh
Ujjivan SFB	Rs 61.70 Lakh	HDFC Bank	Rs 4.88 Lakh

TOTAL = Rs 16.28 Crore

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- The **most common violations** across banks included **priority sector lending breaches, improper collateral practices in MSME and agriculture loans, KYC and cyber-security lapses, unauthorised digital transactions, failure to transfer unclaimed deposits to the Depositor Education and Awareness Fund (DEAF), and governance weaknesses.**

**Reserve Bank of India Report Flags Divergent Bank Strategies for Resolving Stressed Loans in FY25**

- The Reserve Bank of India (RBI), in its **Report on Trend and Progress in Banking**, highlighted **significant differences in resolution strategies** adopted by banks for **stressed loans in FY25.**
- Private Sector Banks (PVBs)** relied heavily on **market-based exits**, selling **35.9% of their previous year's Gross Non-Performing Assets (GNPA) to Asset Reconstruction Companies (ARCs)**, which is **nearly 14 times higher** than the **2.6–3% sold by Public Sector Banks (PSBs).**
- Foreign banks** emerged as the **most aggressive sellers**, transferring **55.5% of their prior-year GNPA to ARCs**, indicating a strong preference for **balance-sheet clean-up through market mechanisms.**
- At the system level, **sales of NPAs to ARCs** increased sharply to **12.4% of the previous year's GNPA in FY25**, up from **5.8% in FY24**, reflecting a **growing shift towards market-based resolution of stressed assets.**



**Ministry of Finance Issues Rules Allowing 100% foreign direct investment in Insurance Sector**

- The **Ministry of Finance** has notified the **Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025**, aligning regulations with the **100% foreign direct investment (FDI) limit** approved by **Parliament in December 2025.**
- This follows the passage of the **Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill, 2025**, which allows **100% FDI in insurance companies**, replacing the earlier **74% cap** under the **Insurance Act, 1938, LIC Act, 1956, and IRDAI Act, 1999.**

**Key Highlights :**

- Under the **new rules**, an insurance company with **foreign investment** must have at least **one key leadership position (CEO, MD, or Chairperson)** held by a **resident Indian citizen.**
- The requirement that a **majority of directors and key managerial personnel be Indian residents** has been **removed**, simplifying **corporate governance norms** for foreign-invested insurance companies.
- The **notification omits Rule 4A**, which earlier required **50% of net profits to be retained** in the **general reserve** if **foreign investment exceeded 49%** and **solvency margins were low**, and also prescribed **independent director requirements.**

**Rules Notified for 100% FDI in Insurance Sector**

**Our Bureau** director or chairperson of the board with at least one-third of the board comprising independent directors.

**New Delhi:** The finance ministry has notified the Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025, aligning them with the 100% foreign investment limit in the sector approved by Parliament in December 2025.

In August 2025, the finance ministry had issued a draft notification seeking to replace the existing limit of 74% foreign investment "as stipulated by the Insurance Act, 1938" and sought public comments.

In a gazette notification issued late Tuesday, the ministry noted that as per the new notification, an Indian insurance company having foreign investment should have at least one amongst the chief executive officer, managing director and chairperson of its board as a resident Indian citizen. The earlier condition was that most key management persons of the insurance company having 49% foreign investment should be resident Indian citizens.

The notification also removes the requirement for an insurance firm with foreign investment to have at least 50% of directors as independent directors or an independent

The gazette notification applicable from December 30, 2025, also deletes the stipulation for an insurance company with 49% foreign investment, the solvency margin be less than 1.2 times the central level of solvency not less than fifty% of the net profit for the financial year shall be retained in general reserve. The parliament passed the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill, 2025, in December which allows up to 100% foreign direct investment in insurance firms.

"This will help in capital augmentation, adoption of advanced technology and bringing global best practices along with increasing employment opportunities," the finance ministry had then noted. It further stated that all these measures would lead to strengthening of the Indian insurance sector to provide resilience to the economy.

**As per new rules, an insurer with FDI should have a resident Indian citizen as its CEO, MD or chairman**

- References to **FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000** have been replaced with **FEMA (Non-Debt Instrument) Rules, 2019**, and provisions related to the **74% FDI cap** have been updated to reflect the **new statutory limit under the Insurance Act, 1938**.
- The **notification removes three key clauses** applicable to insurance companies with **foreign investors**, including **prior IRDAI approval for dividend repatriation**, **restrictions on payments to foreign group or promoter entities**, and **specific board/key management composition rules**.
- The **Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025** has amended the **Insurance Act, 1938**, the **Life Insurance Corporation Act, 1956**, and the **Insurance Regulatory and Development Authority Act, 1999**, enabling **full foreign ownership** and **simplified governance** for insurance companies in India.
- The **new rules came into force on December 30, 2025**, the date of **publication in the official gazette**, facilitating implementation of the new insurance law.

**Reserve Bank of India Warns 2–4 Banks May Tap Capital Conservation Buffers Under Stress Scenarios**

- The Reserve Bank of India (RBI) warned that under a moderate stress scenario, two Scheduled Commercial Banks (SCBs) may need to utilise their **Capital Conservation Buffers (CCBs)** unless fresh capital is infused, and under a severe stress scenario, this number could rise to **four banks**.
- **Capital Conservation Buffers (CCBs)**, set at **2.5% of risk-weighted assets in India** and made up of **Common Equity Tier-1 (CET1) capital**, act as an **extra cushion to absorb losses during stress** without affecting credit flow.
- The RBI stress test revealed that **no bank would fall below the minimum Capital to Risk-Weighted Assets Ratio (CRAR) requirement of 9%**, even under adverse scenarios, indicating **adequate capital resilience**.
- The **aggregate CRAR of 46 major SCBs** may decline from **17.1% in September 2025 to 16.8% by March 2027** under the **baseline scenario**. [Image showing CRAR projections for Baseline vs Adverse scenarios]
- Under **hypothetical adverse scenarios 1 and 2**, the **aggregate CRAR** may fall further to **14.5% and 14.1%**, respectively, highlighting the **impact of severe macroeconomic shocks** on bank capital.
- **Macro stress tests** are conducted to **assess the resilience of banks** against **adverse macroeconomic shocks**, projecting **capital ratios of banks** over a **one-and-a-half-year horizon** under **three scenarios: a baseline and two adverse scenarios**.

**Up to 4 banks may have to tap buffers in adverse scenarios**



**Reserve Bank of India Reports Household Debt Rises to 41.3% of GDP by March 2025**

- The Reserve Bank of India (RBI) reported that **household debt rose to 41.3% of GDP by March 2025**, above the **five-year average of 38.3%**, indicating a **sustained rise in borrowing**.

**DRIVEN BY NON-HOUSING RETAIL LOANS Household Debt Seen above 5-yr Average**

Household debt rose to 41.3% of GDP at the end of March 2025

**55.3% of total household borrowing from financial institutions as of September 2025.** Growth in personal loans and other unsecured loans were higher than housing, agricultural and business credit.

In terms of risk profile, RBI said the risk profile of borrowers remains stable as the share of prime and above-rated customers has increased in both outstanding amounts and number of borrowers. Personal loans formed 22.3% of consumption-purpose borrowings, with most borrowers remaining in higher risk categories despite some downgrades among prime-plus and super-prime customers.

"From a risk perspective, the share of better-rated customers, viz. the overall resilience of the household sector remains sound," RBI said.

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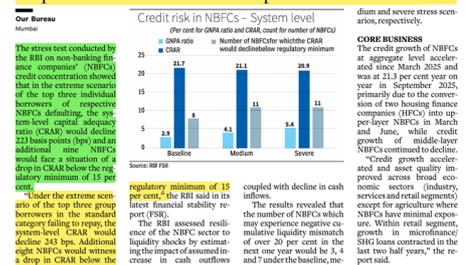
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- Despite the increase, **India's household debt remains lower than most peer emerging economies**, suggesting **manageable overall risk**.
- Borrowing by households is primarily for **consumption**, followed by **asset creation** and **productive purposes**, with **personal loans constituting 22.3% of consumption-purpose loans**.
- **Housing loans** account for **28.6% of household borrowings**, while **agriculture and business loans together contribute 16.1%**, reflecting the **diversified nature of household debt**.

**Reserve Bank of India Warns 9 Non-Banking Finance Companies May Fall Below Minimum Capital If Top 3 Borrowers Default**

- The Reserve Bank of India (RBI) stated that if the **top three individual borrowers of NBFCs default**, the **system-level Capital to Risk-Weighted Assets Ratio (CRAR)** would fall by **223 basis points (bps)**, and **9 Non-Banking Finance Companies (NBFCs)** would see their CRAR drop below the regulatory minimum of **15%**.
- In a **more severe scenario**, where the **top three group borrowers default**, the **CRAR decline** would be **243 bps**, with **8 additional NBFCs** falling below the **15% capital requirement**, highlighting **concentration risk in NBFC lending**.
- **RBI liquidity stress tests** indicated that **NBFCs with negative cumulative liquidity mismatch exceeding 20%** over the next year could be **3 under baseline**, **4 under medium stress**, and **7 under severe stress scenarios**, showing potential vulnerability under stressed liquidity conditions.
- On the **liquidity front**, **upper-layer NBFCs** improved their **short-term liability ratios**, and despite **higher commercial paper issuances**, **borrowing growth exceeded credit growth**, while **asset quality remained stable** at **March 2025** levels, indicating **resilient balance sheets**.

**Nine NBFCs would breach minimum capital requirement limit if their top 3 borrowers default**



**Reserve Bank of India Launches "RBI Talks: Paisa to Policy" Podcast to Boost Financial Awareness**

- The Reserve Bank of India (RBI) has launched an **official podcast series** titled **"RBI Talks: Paisa to Policy"** to enhance **public communication and financial awareness**.
- The initiative was announced in the **Monetary Policy Statement dated December 6, 2024**, as part of RBI's plan to **expand its citizen outreach tools**.
- The **podcast aims to simplify complex financial and banking topics** for the **general public**, promoting **financial literacy, awareness, and inclusion**.
- The series is designed to make **RBI policies and regulations more accessible, understandable, and citizen-friendly**, bridging the **gap between policy and people**.
- The **first episode**, titled **"Demystifying KYC"**, explains the **concept and importance of Know Your Customer (KYC)** in **simple and practical terms**.

RBI's Official Podcast - RBI Talks: Paisa to Policy

In the Monetary Policy Statement dated December 6, 2024, the Reserve Bank had announced its proposal to add 'podcasts' to its communication toolkit for wider dissemination of information of interest to the general public. The RBI's podcast series aims to simplify complex financial topics and make financial knowledge more accessible and inclusive.

Accordingly, the Reserve Bank has launched its podcast series, RBI Talks: Paisa to Policy, with the first episode titled "Demystifying KYC."

The podcast episode can be accessed at: (<https://youtu.be/6-PvJCKhIaw>)



(Brij Raj)  
Chief General Manager

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- Through this initiative, RBI leverages **modern digital platforms like podcasts** to **enhance public understanding of financial regulations and policies.**

### NATIONAL AND STATE NEWS

#### National Highways Authority of India Withdraws Know Your Vehicle (KYV) Requirement for Car FASTags

- The **National Highways Authority of India (NHAI)** has announced the **withdrawal of the Know Your Vehicle (KYV) requirement for Car/Jeep/Van FASTag category.**
- The revised rule will be **applicable to all new FASTag issuances from 1st February 2026.**
- The decision aims to **improve commuter convenience** and **eliminate post-activation hassles** faced by private vehicle owners.
- Earlier, vehicle owners had to undergo KYV verification even after submitting valid documents at the time of FASTag purchase, leading to **delays and repeated follow-ups.**
- For **already issued FASTags**, KYV will **no longer be enforced as a standard requirement.**
- KYV checks will now be triggered **only in exceptional cases**, such as
  - Incorrectly issued FASTags
  - Loose or tampered FASTags
  - Suspected misuse or complaints
- In the absence of complaints, **existing car FASTags will not undergo KYV verification.**
- To maintain system integrity, **pre-activation verification norms have been strengthened.**
- **Issuer Banks must complete all vehicle validation checks before FASTag activation.**
- FASTag activation will be allowed **only after mandatory vehicle verification through the VAHAN database.**
- The earlier practice of **post-activation vehicle validation has been completely discontinued.**
- If vehicle details are **not available on VAHAN**, Issuer Banks must conduct **RC-based verification prior to activation**, with full responsibility for accuracy.
- FASTags sold through **online platforms** will also be activated **only after prescribed verification is completed** by banks.

National Highways Authority of India (NHAI) has announced the withdrawal of the Know Your Vehicle (KYV) requirement for cars under the Car/Jeep/Van FASTag category. This decision aims to improve commuter convenience and ending post-activation hassles for highway users. The change will apply to all new FASTag issuances starting February 1, 2026.

#### RECENT NEWS

- National Highways Authority of India (NHAI) has received approval from the Securities and Exchange Board of India (SEBI) for its sponsored Raajmarg Infra Investment Trust (RIIT) as a Public Infrastructure Investment Trust (InvIT). The approval was announced on December 24, 2025 and marks an important milestone in India's asset monetization strategy.

#### Government Extends Import Restrictions on Low-Ash Metallurgical Coke

- The **Government of India** has **extended the import restrictions on low-ash metallurgical coke** for another six months, from **1st January 2026 to 30th June 2026.**

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- The decision was notified by the **Directorate General of Foreign Trade (DGFT)** under the Ministry of Commerce and Industry.
- **Low-ash metallurgical coke**, defined as coke having **ash content below 18%**, including **coke fines, coke breeze, and ultra-low phosphorus metallurgical coke**, will remain **restricted** during this period.
- Import of low-ash metallurgical coke will be **permitted only in accordance with conditions specified by the government**, mainly through allocation-based or regulated mechanisms.
- **Metallurgical coke with ash content above 18%** is **excluded from the restriction** and will continue to be **freely importable**.
- Earlier, the government had imposed similar restrictions for a **six-month period ending on 31st December 2025**, which has now been extended.
- Low-ash metallurgical coke is a **critical raw material for steelmaking**, particularly in blast furnaces, and is also used in **other industrial applications**.



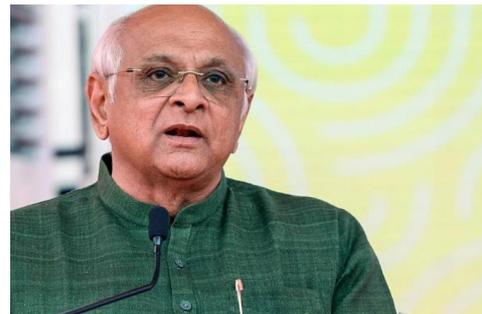
The government has extended import restrictions on low-ash metallurgical coke from January 1, 2026, to June 30, 2026, according to a notification by the Directorate General of Foreign Trade.

The government on Wednesday said it is extending import restrictions on low-ash metallurgical coke from January 1 till June 30, 2026.

However, the coke with high-ash content (above 18 per cent) is outside the scope of this restriction.

### Gujarat to Host Indian AI Research Organization at GIFT City from 2026

- **India is set to strengthen its artificial intelligence research ecosystem** with the establishment of the **Indian AI Research Organization (IAIRO)** at **Gujarat International Finance Tec-City (GIFT City), Gandhinagar**.
- The Gujarat government, led by **Chief Minister Bhupendra Patel**, has given in-principle approval for this initiative, which will become operational from **1 January 2026**.
- IAIRO will be **India's first state-led artificial intelligence research body** and will function under a **Public–Private Partnership (PPP) model**, marking a significant step in collaboration between government, industry, and academia.
- The organization will be set up through a **tripartite partnership** involving the **Government of Gujarat, the Government of India, and the Indian Pharmaceutical Alliance (IPA)**.
- It will be **registered as a non-profit entity**, incorporated under **Section 8 of the Companies Act, 2013**, and will operate as a **Special Purpose Vehicle (SPV)**.
- The total financial outlay for the first **five years is ₹300 crore**, with an **equal contribution of 33.33 percent each** from the Centre, the State, and the private partner.
- The **Indian Pharmaceutical Alliance** will contribute **₹25 crore during 2025–26**.
- Members of the alliance include **Cipla, Torrent Pharmaceuticals, and Sun Pharmaceutical Industries**.
- The core objectives of the Indian AI Research Organization include **advanced artificial intelligence** research and development, creation of artificial intelligence based products and solutions, strengthening industry–academia–government collaboration, promotion of intellectual property generation, support for policy-oriented artificial intelligence research, and capacity building and talent development in artificial intelligence.



Chief Minister Bhupendra Patel. | Photo Credit: ANI

Gujarat Chief Minister Bhupendra Patel on Tuesday (December 30, 2025) granted in-principle approval for the establishment of the Indian AI Research Organisation (IAIRO) to strengthen research and development in artificial intelligence.

- IAIRO will operate on a **hybrid computing model**, combining **on-premise GPU based high-performance computing** with integration into national digital platforms such as the **IndiaAI Cloud**.
- This model will provide scalable computing resources for cutting-edge research while optimizing cost and accessibility.
- The initiative aligns with the **India AI Mission of the Ministry of Electronics and Information Technology** and the **Gujarat Artificial Intelligence Action Plan** under the state's **Science and Technology Department**.
- Gujarat has also constituted an **Artificial Intelligence Task Force** under the guidance of the Chief Minister to strengthen artificial intelligence governance.
- **GIFT City** was chosen as the location due to its status as **India's first operational smart financial and technology hub**, offering **world-class digital and physical infrastructure**, proximity to **fintech, pharmaceutical, and startup ecosystems**, and enhanced **international visibility and regulatory ease**.
- The establishment of IAIRO is expected to play a key role in positioning India as a **global hub for artificial intelligence research and innovation**, while supporting long-term goals of technology-driven growth and digital governance.

## RECENT NEWS

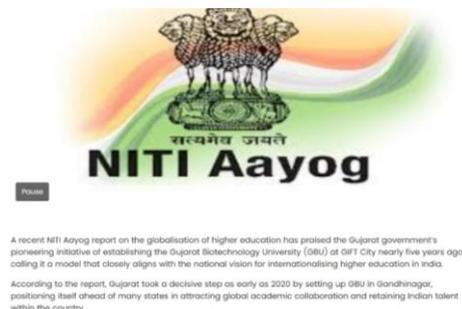
- In a landmark development for wildlife conservation Gujarat has been officially reinstated as a tiger bearing state after a gap of 33 years. The decision was taken by the National Tiger Conservation Authority (NTCA), which has confirmed Gujarat's inclusion in the All India Tiger Estimation (AITE) 2026 following sustained evidence of tiger presence in the Ratanmahal Sanctuary.

## About Gujarat:

- **Chief Minister:** Bhupendra Patel
- **Governor:** Acharya Devvrat
- **Capital:** Gandhinagar
- **National Parks:** Gir National Park, Blackbuck National Park, Vansda National Park, Marine National Park
- **Wildlife Sanctuaries:** Nal Sarovar Bird Sanctuary, Velavadar Blackbuck Sanctuary, Kutch Desert Wildlife Sanctuary, Barda Wildlife Sanctuary, Purna Wildlife Sanctuary

## NITI Aayog Praises Gujarat Biotechnology University as Benchmark for Globalisation of Higher Education

- A recent **NITI Aayog report on the globalisation of higher education** praised **Gujarat Biotechnology University (GBU) at Gujarat International Finance Tec-City (GIFT City)** as a benchmark initiative aligned with national education reforms and India's goal of becoming a global education hub.
- The report noted that **Gujarat took a forward-looking step in 2020** by establishing GBU at Gandhinagar, positioning the state ahead of others in attracting **global academic collaboration** and reducing the **outflow of Indian students abroad**.
- According to NITI Aayog, the initiative reflects India's national vision of **internationalising higher education**, developing **GIFT City as a destination for foreign universities**, and **retaining domestic intellectual capital**.
- The report highlighted a major imbalance in student mobility, where **for every one foreign student studying in India, nearly 28 Indian students study abroad**,



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leading to **brain drain**, an estimated **outflow of nearly 2 percent of India's Gross Domestic Product**, and loss of skilled human capital.

- Established in **2020**, Gujarat Biotechnology University is described as the **world's first dedicated biotechnology university**, strategically located at **GIFT City**, with a strong focus on **advanced research, innovation, and international collaboration**.
- GBU was set up in partnership with the **University of Edinburgh**, a globally renowned institution with a **440-year academic legacy**, ensuring **international curriculum standards, faculty exchange, and global exposure** for Indian students.
- Senior faculty from the University of Edinburgh spend **over 90 days annually at GBU**, while visiting professors teach advanced subjects such as **synthetic biology, vaccine design, protein engineering, and microbial eco-physiology**.
- The university spans **around 23 acres at GIFT City** and houses **advanced research infrastructure worth over ₹80 crore**, with an **international campus under development costing about ₹200 crore**.
- The NITI Aayog report highlighted strong research performance, including **70 plus extramural research grants worth over ₹40 crore**, employment for **more than 50 researchers**, and support for **over 40 Doctor of Philosophy scholars** through central and state fellowships.
- Notably, **20 Doctor of Philosophy scholars receive a monthly fellowship of ₹20,000 from the Gujarat government**, and **37 student teams secured more than ₹2 crore in startup funding** under the **Student Startup and Innovation Policy**.
- Overall, the report concluded that Gujarat Biotechnology University demonstrates how **global academic legacy, world-class Indian infrastructure, and policy-driven governance** can together deliver **international-quality higher education within India**.

### Assam Constitutes India's First 8th State Pay Commission

- **Assam became the first state in India to constitute its 8th State Pay Commission**, marking a proactive step in government pay reforms.
- The decision was announced by **Chief Minister Himanta Biswa Sarma**, ahead of the expiry of the **7th State Pay Commission on January 1, 2026**.
- A **Pay Commission is constituted to review and recommend revisions in salaries, allowances, service benefits, and pensions** of government employees and pensioners.
- The **8th State Pay Commission will replace the existing 7th Pay Commission framework** and recommend revised pay structures based on **inflation, current economic conditions, and the fiscal capacity of the state**.
- **Former Assam Chief Secretary Subhas Das** has been appointed as the **Chairman of the 8th State Pay Commission**.
- With this move, **Assam has moved ahead of other states and even the Union Government**, as the **8th Central Pay Commission has not yet formally begun its work**.
- The early constitution of the commission is significant as it provides **early clarity to state government employees and pensioners** regarding future pay revisions.



Assam becomes first to constitute 8th Pay Commission for state employees, CM appoints panel head

Assam becomes the first Indian state to set up an 8th State Pay Commission, ahead of the 7th Pay Commission's expiry in January 2026. Former chief secretary Subhas Das will head the new pay panel, aiming to revise salaries and pensions for state

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- It may enable **faster submission of recommendations** compared to other states, potentially leading to **earlier implementation of revised salaries and pensions**.
- Experts note that **Pay Commissions generally take around 18 months** to finalise and submit their reports.
- **Pay Commissions in India are periodically set up**, and their recommendations **require government approval** before implementation.
- Salary and pension revisions are often **implemented retrospectively**, with **arrears paid at a later stage**.
- Although **January 1, 2026 is the reference date**, actual implementation of the recommendations may occur in **late 2026 or early 2027**.
- Assam's early initiation of the process could give its **state employees an advantage over employees in other states**.

#### About Assam:

- Chief Minister: Himanta Biswa Sarma
- Governor: Lakshman Prasad Acharya
- Capital: Dispur
- National Parks: Kaziranga National Park, Manas National Park, Dibru-Saikhowa National Park
- Wildlife Sanctuaries: Pobitora Wildlife Sanctuary, Orang National Park, Bura-Chapori Wildlife Sanctuary, Nameri Wildlife Sanctuary

### INTERNATIONAL NEWS

#### European Union Implements Carbon Border Adjustment Mechanism on Carbon-Intensive Imports from January 2026

- The **European Union (EU)** has implemented the **Carbon Border Adjustment Mechanism (CBAM)** from **January 1, 2026** imposing a **carbon-linked levy** on **carbon-intensive imports** such as **steel, aluminium, cement, fertilisers, chemicals, glass, and power-related products**.



#### What is CBAM?

- **Carbon Border Adjustment Mechanism (CBAM)** is a **carbon tax-like system** imposed by the **European Union (EU)** on **imported goods** to account for the **carbon emissions** generated during their production.
- A **key objective** of **CBAM** is to **prevent carbon leakage**, ensuring that companies do **not shift production** to countries with **weaker environmental regulations** to avoid climate costs.
- **CBAM** aims to ensure **fair competition** by creating a **level playing field** for **EU industries** that already operate under the **EU Emissions Trading System (ETS)**.

#### Key Highlights :

- **India's exports to the EU** are largely concentrated in **steel, iron, and aluminium**, making **Indian exporters—especially MSMEs—highly vulnerable to higher compliance costs** under **CBAM**.
- From **January 1, 2026**, **Indian steel and aluminium exports to the EU** will face **direct carbon costs**; according to the **Global Trade Research Initiative (GTRI)**, exporters may need to **cut prices by 15–22%** to remain **price competitive**.
- To meet **CBAM requirements**, **Indian steel producers** are being pushed to shift from **high-emission Blast Furnace–Basic Oxygen Furnace (BF–BOF)** routes to **cleaner Electric Arc Furnace (EAF) technology**, but **limited scrap availability**

and EU–US dominance in scrap-based steel place India at a competitive disadvantage.

- The United Nations Conference on Trade and Development (UNCTAD) has warned that CBAM could harm export-led growth, restrict market access for developing countries, and worsen global trade inequalities, while reducing global emissions by only about 0.1%.
- India has officially opposed CBAM, with Finance Minister Nirmala Sitharaman calling it unilateral and arbitrary, arguing that such measures undermine energy transition efforts, and India has formally raised its concerns with the EU.

### India and Bangladesh Start Joint Water Measurement as Ganges Water Sharing Treaty Nears Expiry

- India and Bangladesh have initiated joint water measurement on the Padma and Ganga rivers as the 30-year Ganges Water Sharing Treaty enters its final year.
- The water measurement exercise is being conducted 3,500 feet upstream of the Hardinge Bridge on the Padma River in Bangladesh and at the Farakka point on the Ganga River in India.
- The initiative aims to generate accurate, jointly verified river-flow data, which is critical for effective treaty implementation and for future negotiations between the two countries.
- The Ganges Water Sharing Treaty, signed in 1996, governs the sharing of dry-season flows of the Ganga/Padma rivers and is scheduled to expire in December 2026, with renewal discussions already underway between India and Bangladesh.

India, Bangladesh begin joint water measurements as Ganges Treaty enters final year

Press Trust of India  
Dhaka, January 1

INDIA AND Bangladesh on Thursday began joint water measurement on the Padma and the Ganga rivers as the 30-year Ganges Water Sharing Treaty entered its final year.

Water measurement began at a point 3,500 feet upstream of the Hardinge Bridge on the Padma River in Bangladesh and also at Farakka point on Ganga river in India, Dhaka Tribune said, quoting hydrology officials.

A two-member Indian team, led by Saurabh Kumar, deputy director of India's Central Water Commission and Sunny Arora, assistant director of the commission, has arrived in Bangladesh while a four-member Bangladeshi team, headed by Arifin Zubaed, executive engineer of the North-Eastern Measurement Hydrology Division of the Bangladesh Water Development Board, has travelled to India for the joint me

Both countries will measure water levels at various designated points in the Ganga and Padma from January 1 to May 31.

#### About Bangladesh:

- Capital: Dhaka.
- Currency: Bangladeshi Taka (BDT).
- President: Mohammad Shahabuddin

### APPOINTMENTS & RESIGNATIONS

#### Air Marshal Nagesh Kapoor Assumes Charge as Vice Chief of the Air Staff, Indian Air Force

- Air Marshal Nagesh Kapoor assumed charge as the Vice Chief of the Air Staff (VCAS) of the Indian Air Force (IAF) on January 1, 2026, succeeding Air Marshal Narmadeshwar Tiwari, who superannuated after 40 years of distinguished service.

#### About Air Marshal Nagesh Kapoor :

- An alumnus of the National Defence Academy (NDA), he graduated in December 1985 and was commissioned into the fighter stream of the Flying Branch on December 6, 1986, completing over 39 years of illustrious service.
- Air Marshal Kapoor is an experienced fighter pilot, a Qualified Flying Instructor, and a Fighter Combat Leader, having flown all variants of MiG-21 and MiG-29 aircraft with over 3,400 flying hours on combat and trainer aircraft.

#### Air Marshal Nagesh Kapoor takes charge as Vice Chief of Air Staff

The Hindu Bureau  
NEW DELHI

Air Marshal Nagesh Kapoor on Thursday assumed charge as the Vice Chief of the Air Staff, succeeding Air Marshal Narmadeshwar Tiwari, who superannuated after 40 years of service.

An alumnus of the National Defence Academy, Defence Services Staff College, and National Defence College, Air Marshal Kapoor is an accomplished fighter pilot with over 3,400 flying hours on MiG-21 and MiG-29 aircraft.

He has held key command, operational, instructional, and staff appointments, including Air Officer Commanding-in-Chief of Training Command and South Western Air Command, and is a recipient of multiple gallantry and distinguished service awards.

In another significant development, Lt. Gen. Harpal Singh on Thursday assumed charge as the 29th Director-General, Border Roads, formally taking over the reins of the Border Roads Organisation (BRO). Commissioned into the Corps of Engineers in June 1991, Lt. Gen. Singh brings over three decades of experience across diverse command, staff, and leadership roles.



Air Marshal Nagesh Kapoor

Raised in 1960, the BRO has been instrumental in developing strategic infrastructure in some of the most challenging terrains, enhancing national security and border connectivity.

- He is also an **alumnus of the Defence Services Staff College (DSSC)** and the **National Defence College (NDC)**, and has held a **wide range of command, operational, instructional and staff appointments.**
- His **key staff appointments** include **Assistant Chief of Air Staff (Operations–Strategy)** at Air Headquarters, **Air Defence Commander at South Western Air Command**, **Senior Air Staff Officer at Headquarters Central Air Command**, and **Air Officer-in-Charge Personnel at Air Headquarters.**
- He has also served in a **diplomatic role as Defence Attaché to Pakistan**, reflecting his experience in **strategic and international military engagement.**
- Prior to becoming **Vice Chief of the Air Staff**, he served as **Air Officer Commanding-in-Chief (AOC-in-C) Training Command**, followed by **AOC-in-C South Western Air Command.**
- In recognition of his **exemplary and distinguished service to the nation**, Air Marshal Kapoor has been awarded the **Vayu Sena Medal (2008)**, **Ati Vishisht Seva Medal (2022)**, and the **Presidential awards of Param Vishisht Seva Medal and Sarvottam Yudh Seva Medal (2025).**

**Zohran Mamdani Takes Oath as New York City Mayor at Historic City Hall Subway Station**

- **Zohran Mamdani was sworn in as Mayor of New York City** just after midnight at the historic **City Hall subway station in Manhattan**, marking a symbolic start to his tenure.
- The **City Hall subway station**, opened in **1904** and closed in **1945**, is a **heritage landmark**; its selection symbolized the **“inauguration of a new era”** and New York City’s commitment to **working people.**
- Mamdani made history as the **first Muslim Mayor of New York City**, the **first mayor of South Asian origin**, the **first Africa-born mayor**, and at **34 years**, the **youngest mayor in generations.**
- He took the **oath of office on the Quran**, with the ceremony administered by **New York Attorney General Letitia James**, followed by a **public swearing-in conducted by Bernie Sanders.**
- **Born in Kampala, Uganda**, Mamdani is the **son of filmmaker Mira Nair**, grew up in **New York**, became a **US citizen in 2018**, served as a **New York State Assembly member since 2020**, and has now assumed one of the most demanding roles in **American politics.**



Zohran Mamdani is sworn in as mayor of New York City, flanked by his wife Rama Dowji and New York Attorney General Letitia James, at Old City Hall Station on Thursday. ©AP/WIDEWORLD

**Zohran Mamdani sworn in as Mayor of New York City**

**Dana Rubenstein, New York, January 1**  
**ZOHRAN MAMDANI**, the 34-year-old, first Muslim and first South Asian mayor of New York City, was sworn in as mayor of New York City on Thursday, just after the New York Times ball dropped in Times Square. The ceremony, held underground at an abandoned showpiece of a subway station by City Hall, caps Mamdani's year-long rise from obscure state lawmaker to international figure carrying the hopes of New Yorkers and Americans across the country who were enthralled by his journey to becoming the city's first Muslim and first South Asian mayor. Just after the last seconds of 2025 ticked away, Mamdani, 34, was sworn in by Letitia James, the state attorney general, as a state attorney general, as a smattering of family, friends and reporters looked on. A public inauguration will take place at 1 p.m. Thursday on the steps of City Hall, an event that will feature two of Mamdani's most powerful colleagues on the left: Sen. Bernie Sanders of Vermont, who will administer a ceremonial oath of office, and Rep. Alexandria Ocasio-Cortez, who will make opening remarks. The earlier swearing-in will be held in a long-shuttered relic from New York City's past, from an era when its leaders sought to merge beauty with utilitarian needs: The old City Hall subway station, which, with its tiled arches, chandeliers and vaulted ceilings, opened in 1904 as a showcase destination among New York's 38 original subway stations. NYT

**Canara Bank names interim MD & CEO**

**FE BUREAU**  
**Chennai, December 31**

**CANARA BANK** on Wednesday said its Executive Director Hardeep Singh Ahluwalia has been assigned additional charge as managing director and chief executive officer of the bank with effect from January 1, 2026.

The charge will be for a period of three months, or until the appointment of a regular incumbent, or until further orders, the bank said in an exchange filing. The move follows the superannuation of the incumbent Satyanarayana Raju on Wednesday.

Ahluwalia began his banking career in 1992 as an agricultural field officer at Allahabad Bank (now Indian Bank). He has over three decades of experience across multiple functional areas of the banking system, spanning rural, semi-urban, urban and metro geographies in India, as well as overseas postings.

Last week, the Financial Services Institutions Bureau (FSIB) recommended Brajesh Kumar Singh as the next MD & CEO of Canara Bank after interviewing 17 candidates. Singh is currently an executive director at the state-owned Indian Bank.

**Hardeep Singh Ahluwalia Given Additional Charge as Canara Bank Managing Director & Chief Executive Officer from January 1, 2026**

- **Canara Bank** has assigned **additional charge of Managing Director & Chief Executive Officer (MD & CEO)** to **Hardeep Singh Ahluwalia**, with effect from **January 1, 2026.**
- The decision follows the **superannuation of former MD & CEO K. Satyanarayana Raju on December 31, 2025.**
- The arrangement is **temporary in nature**, valid for **three months (until March 31, 2026)** or until a **regular MD & CEO is appointed, whichever is earlier**, as per the **Department of Financial Services (DFS), Ministry of Finance notification dated December 30, 2025.**

- Separately, the **Financial Services Institutions Bureau (FSIB)** has recommended **Brajesh Kumar Singh** as the next regular MD & CEO of Canara Bank, following interviews of 17 candidates.
- **Brajesh Kumar Singh** is currently serving as the **Executive Director of Indian Bank**.

### MOUS AND AGREEMENT

#### Delhi Government Partners with Indian Institute of Technology Kanpur to Develop Artificial Intelligence Based Grievance Redressal System

- The **Delhi Government**, in collaboration with the **Indian Institute of Technology Kanpur**, will implement an **Intelligent Grievance Monitoring System**, aimed at improving **speed, transparency, and accountability** in public service delivery through **artificial intelligence and data analytics**.
- The announcement was made by **Pankaj Kumar Singh, Minister of Information Technology, Delhi**, marking a major step towards **technology-driven governance**.
- The new system will **integrate multiple grievance portals into a single unified dashboard**, enabling holistic monitoring and effective resolution of citizen complaints.
- At present, citizens register grievances on multiple independent platforms, which has led to **delays in resolution, duplication of complaints, poor inter-departmental coordination, and lack of overall oversight**.
- The new system seeks to address these challenges by **centralising grievance data**.
- The **Intelligent Grievance Monitoring System** is an **artificial intelligence and machine learning based platform** designed to **consolidate, analyse, and monitor public grievances across departments**, with the objective of improving resolution timelines and strengthening public trust in governance.
- All grievances from platforms such as the **Public Grievance Management System, Lieutenant Governor Listening Post, Centralised Public Grievance Redress and Monitoring System**, and other departmental portals will be visible on **one integrated dashboard**.
- The **Indian Institute of Technology Kanpur** will be responsible for **system integration through secure Application Programming Interfaces, cybersecurity audits, vulnerability assessment and penetration testing, and long-term technical maintenance**, ensuring platform security and reliability.
- The initiative is expected to **reduce delays, improve coordination among departments, enhance efficiency in grievance redressal, and promote accountable governance** in Delhi.

New Delhi, The Delhi government will launch an AI-based Unified Grievance Redressal System in partnership with IIT-Kanpur to enable faster complaint resolution and real-time monitoring, officials said on Monday.

#### National Test House and National Highways Authority of India Sign Memorandum of Understanding to Improve Quality of Highway Construction

- **National Test House** signed a **Memorandum of Understanding with the National Highways Authority of India** to strengthen **quality control, transparency, and safety** in national highway construction projects,

The National Test House (NTH) has signed a Memorandum of Understanding (MoU) with the National Highways Authority of India (NHAI) to strengthen quality control and third-party testing in national highway and infrastructure projects.



The MoU was signed at the NHAI Headquarters in New Delhi in the presence of Shri Bhuvan Khatwani, Additional Secretary, Department of Customer Affairs, Shri Suresh Kumar Yadav, Chairman, NHAI, and Dr. Abhishek Kumar Srivastava, Director General, NTH, along with senior officials from both organisations. Under the agreement, NTH will be designated as a recognised laboratory for NHAI. It may send samples related to highway construction and allied works to NTH laboratories across the country for testing and inspection. Samples will be tested at NTH's regional laboratories and satellite centres located at Ghaziabad, Kolkata, Mumbai, Chennai, Jaipur, Coimbatore, Bhopal and Varanasi. NTH will provide scientific and impartial test results within an optimum time frame through its online MIS portal as well as physical reports.

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- supporting India's vision of **world-class infrastructure**.
- The MoU was signed on **30 December 2025** at **National Highways Authority of India Headquarters, New Delhi**, in the presence of **Bharat Khera, Additional Secretary, Department of Consumer Affairs, Santosh Kumar Yadav, Chairman of National Highways Authority of India, and Alok Kumar Srivastava, Director General of National Test House**.
  - Under the agreement, **National Test House will be empanelled as a recognised laboratory for National Highways Authority of India**, enabling it to carry out **testing and inspection of samples related to highway construction and allied works**.
  - Testing will be conducted through **National Test House regional laboratories and satellite centres** located at **Ghaziabad, Kolkata, Mumbai, Chennai, Jaipur, Guwahati, Bengaluru, and Varanasi**.
  - National Test House will provide **scientific, impartial, and time-bound test results** through its **online Management Information System portal** as well as physical reports, with provisions for **online test requests and digital payments** to improve efficiency and reduce delays.
  - The collaboration includes **institutional coordination through nodal officers** from both organisations to ensure smooth implementation of the agreement.
  - **Experts from National Test House will participate in National Highways Authority of India technical committees**, contributing **scientific inputs** to improve decision-making in highway projects.
  - Both organisations will jointly conduct **training programmes, workshops, and capacity-building initiatives** for officials of National Highways Authority of India, and National Test House will assist in **strengthening testing facilities within National Highways Authority of India laboratories** where required.
  - **National Test House**, established in **1912**, functions under the **Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution**, and is one of India's oldest institutions for **scientific testing, quality assurance, and calibration**, with a pan-India presence across multiple sectors.

## SPORTS NEWS

### Deepti Sharma Becomes Highest Wicket-Taker in Women's Twenty20 International Cricket

- **Indian women's cricket** achieved a major milestone as **Deepti Sharma** became the **highest wicket-taker in Women's Twenty20 International (T20I) cricket**.
- Deepti Sharma achieved this landmark during the **5th T20I match against Sri Lanka at Thiruvananthapuram**, where she claimed her **152nd T20I wicket**, surpassing **Australia's Megan Schutt (151 wickets)**.
- With this achievement, Deepti Sharma now stands **alone at the top of the all-time wicket-takers list in Women's T20 Internationals**, highlighting her consistency and longevity at the international level.
- She has been a **regular member of India's Women's T20 team for nearly a decade**, known for her **economical bowling and ability to take crucial wickets in pressure situations**.
- Deepti Sharma currently holds the **Number One position in the International Cricket Council Women's T20I Bowling Rankings**, reinforcing her dominance in the shortest format of the game.



India all-rounder Deepti Sharma became the leading wicket-taker in women's T20Is on Tuesday, surpassing Australia's Megan Schutt during the fifth and final T20I against Sri Lanka in Thiruvananthapuram.

Sharma moved past Schutt's tally of 151 wickets to reach 152, becoming the first Indian cricketer, male or female, to claim 150 wickets in T20Is. She achieved the milestone in her 133rd match and now averages just over 18 runs per wicket, with best figures of 4 for 18.

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- Deepti Sharma made her **One Day International debut in 2014 against South Africa** at the age of **17**, making an immediate impact with both bat and ball.
- She played a pivotal role in **India's title-winning campaign at the 2025 International Cricket Council Women's Cricket World Cup**, delivering consistent all-round performances.
- Deepti Sharma was awarded **Player of the Tournament** in the 2025 World Cup, including a **match-winning five-wicket haul in the final**, underlining her match-winner status on the global stage.

### Daily CA One- Liner: January 3<sup>rd</sup>

- The **National Highways Authority of India (NHAI)** has announced the **withdrawal of the Know Your Vehicle (KYV) requirement for Car/Jeep/Van FASTag category**
- The **Government of India** has **extended the import restrictions on low-ash metallurgical coke** for another six months, from **1st January 2026 to 30th June 2026**
- **India is set to strengthen its artificial intelligence research ecosystem** with the establishment of the **Indian AI Research Organization (IAIRO) at Gujarat International Finance Tec-City (GIFT City), Gandhinagar**
- A recent **NITI Aayog report on the globalisation of higher education** praised **Gujarat Biotechnology University (GBU) at Gujarat International Finance Tec-City (GIFT City)** as a benchmark initiative aligned with national education reforms and India's goal of becoming a global education hub
- **Assam became the first state in India to constitute its 8th State Pay Commission**, marking a proactive step in government pay reforms
- The **Delhi Government**, in collaboration with the **Indian Institute of Technology Kanpur**, will implement an **Intelligent Grievance Monitoring System**, aimed at improving **speed, transparency, and accountability** in public service delivery through **artificial intelligence and data analytics**
- **National Test House** signed a **Memorandum of Understanding with the National Highways Authority of India** to strengthen **quality control, transparency, and safety** in national highway construction projects, supporting India's vision of **world-class infrastructure**
- **Indian women's cricket** achieved a major milestone as **Deepti Sharma** became the **highest wicket-taker in Women's Twenty20 International (T20I) cricket**.
- The **Reserve Bank of India (RBI)** has **eased capital adequacy norms for Non-Banking Finance Companies (NBFCs)** lending to **high-quality infrastructure projects** through the **NBFC (Prudential Norms on Capital Adequacy) Amendment Directions, 2026**.
- The **Floating Rate Savings Bond, 2020 (Taxable) – FRSB 2020(T)** interest rate has been announced for the period **January 1, 2026, to June 30, 2026**.
- The **Reserve Bank of India (RBI)** projects that **Gross Non-Performing Assets (GNPAs) of Scheduled Commercial Banks (SCBs)** will improve to **1.9% by March 2027** under the **baseline scenario**, from **2.1% in September 2025**, indicating continued improvement in **asset quality**.
- **Exports are a critical pillar of India's economy**, contributing nearly **21% of GDP**, generating **robust foreign exchange inflows**, supporting the **current account balance**, and ensuring **macroeconomic stability**.
- The **Reserve Bank of India (RBI)** imposed nearly **₹27 crore in monetary penalties** across **40 instances** on banks during **calendar year 2025 (CY25)** for various **regulatory violations**.

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- The **Reserve Bank of India (RBI)**, in its **Report on Trend and Progress in Banking**, highlighted **significant differences in resolution strategies** adopted by banks for **stressed loans in FY25**.
- The **Ministry of Finance** has notified the **Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025**, aligning regulations with the **100% foreign direct investment (FDI) limit** approved by **Parliament in December 2025**.
- The **Reserve Bank of India (RBI)** warned that under a **moderate stress scenario**, **two Scheduled Commercial Banks (SCBs)** may need to utilise their **Capital Conservation Buffers (CCBs)** unless **fresh capital is infused**, and under a **severe stress scenario**, this number could rise to **four banks**.
- The **Reserve Bank of India (RBI)** reported that **household debt** rose to **41.3% of GDP by March 2025**, above the **five-year average of 38.3%**, indicating a **sustained rise in borrowing**.
- The **Reserve Bank of India (RBI)** stated that if the **top three individual borrowers of NBFCs default**, the **system-level Capital to Risk-Weighted Assets Ratio (CRAR)** would fall by **223 basis points (bps)**, and **9 Non-Banking Finance Companies (NBFCs)** would see their **CRAR drop below the regulatory minimum of 15%**.
- The **Reserve Bank of India (RBI)** has launched an **official podcast series** titled **“RBI Talks: Paisa to Policy”** to enhance **public communication and financial awareness**.
- The **European Union (EU)** has implemented the **Carbon Border Adjustment Mechanism (CBAM)** from **January 1, 2026** imposing a **carbon-linked levy** on **carbon-intensive imports** such as **steel, aluminium, cement, fertilisers, chemicals, glass, and power-related products**.
- **India and Bangladesh** have initiated **joint water measurement** on the **Padma and Ganga rivers** as the **30-year Ganges Water Sharing Treaty** enters its **final year**.
- **Air Marshal Nagesh Kapoor** assumed charge as the **Vice Chief of the Air Staff (VCAS)** of the **Indian Air Force (IAF)** on **January 1, 2026**, succeeding **Air Marshal Narmadeshwar Tiwari**, who **superannuated after 40 years of distinguished service**.
- **Zohran Mamdani** was **sworn in as Mayor of New York City** just after **midnight** at the **historic City Hall subway station in Manhattan**, marking a **symbolic start to his tenure**.
- **Canara Bank** has assigned **additional charge of Managing Director & Chief Executive Officer (MD & CEO)** to **Hardeep Singh Ahluwalia**, with effect from **January 1, 2026**.