DAILY CURRENT AFFAIRS 03-07-2025

NATIONAL NEWS

Ladakh Inaugurates First Astro Tourism Festival in Leh

Ladakh's Tourism Department, in collaboration with the Indian Institute of Astrophysics, hosted a two-day Astro Tourism Festival in Leh to showcase the region's prime conditions for stargazing and promote science-driven tourism.

It was organized by Ladakh Tourism Department with support from Indian Institute of Astrophysics, Kashmir University, and ISRO scientists.

Objectives is to

Establish Ladakh as India's astro-tourism hub leveraging its high altitude, dry climate, and low light pollution.

Educate visitors on astronomy and space science.

Integrate science tourism into local development strategies.

BANKING

SEBI Permits Intermediaries to Use NPCI's 'e-KYC Setu System'

The Securities and Exchange Board of India (SEBI) has approved registered market intermediaries to use the NPCI's 'e-KYC Setu System' for performing digital KYC.

Previously, intermediaries used only the Aadhaar-based e-KYC services of the Unique Identification Authority of India (UIDAI) in the securities market.

The approval aims to facilitate ease of doing business and simplify the customer onboarding process.

The 'e-KYC Setu System' is developed by NPCI in collaboration with UIDAI to enable digitization of customer onboarding.

This system provides an alternate mechanism for Aadhaar-based e-KYC authentication.

The e-KYC Setu allows identity verification by reporting entities (REs) regulated by the Reserve

Bank of India (RBI) without disclosing the individual's Aadhaar number.

It helps reduce operational complexities and the burden of managing Aadhaar data for regulated entities.

The system offers flexibility to regulated entities to select suitable technology platforms for capturing Aadhaar numbers and OTPs based on their business requirements.

Entities can onboard through NPCI's single-window onboarding process as described on the NPCI website.

AU Small Finance Bank Teams Up with Life Insurance Corporation of India

AU Small Finance Bank (AU SFB) has entered into a partnership with the Life Insurance Corporation of India (LIC), the country's largest life insurer.

The collaboration supports the national goal of 'Insurance for All by 2047' by enhancing insurance penetration in rural and semi-urban areas.

AU SFB will distribute LIC's comprehensive range of life insurance products, including: Term insurance, Endowment plans, Whole life policies, Pension and annuity offerings, Child-specific plans.

These products will be available across more than 2,456 AU SFB banking outlets in 21 states and 4 Union Territories, expanding LIC's reach to underserved segments of India.

The partnership is a milestone for AU SFB in becoming a full-spectrum financial services provider, integrating banking, protection, and long-term financial planning on one platform.

For LIC, this tie-up provides access to a credible, customer-centric banking partner to broaden its reach.

Small Savings Scheme Interest Rates Unchanged for 7th Straight Quarter from July 1, 2025

Interest rates on small savings schemes, including Public Provident Fund (PPF) and Sukanya Samriddhi Scheme (SSS), will remain unchanged for the 7th consecutive quarter starting July 1, 2025.

Currently, there are 12 small savings schemes, including savings accounts, many offering tax benefits. These include:

National Savings Certificates (NSC)

Public Provident Fund (PPF)

Sukanya Samriddhi Scheme (SSS)

Senior Citizen Savings Scheme (SCSS)

Interest rates on these schemes are reviewed quarterly, but most have stayed steady since July-September 2024, with minor adjustments in some.

Retail bank deposits in India usually have a short average tenor (1.5 to 3 years), contrasting with government-backed schemes which have longer lock-in periods:

PPF: 15 years

Sukanya Samriddhi: up to 21 years

Senior Citizen Savings Scheme: 5 years

Interest rates for specific schemes effective July 1, 2025:

Sukanya Samriddhi Scheme: 8.2%

3-year term deposit: 7.1%

Public Provident Fund (PPF): 7.1%

Post Office Savings Deposit: 4%

Kisan Vikas Patra (KVP): 7.5%, matures in 115 months

National Savings Certificate (NSC): 7.7% (for April-June 2025 period)

Monthly Income Scheme (MIS): 7.4%

Meta Makes SEBI Verification Mandatory for Securities and Investment Advertisements on Its Platforms

Meta mandates that all advertisers running securities and investment ads in India on platforms like Facebook, Instagram, and WhatsApp must be: Verified by SEBI, or Complete business/identity verification if exempt from SEBI registration

The rule applies to global campaigns targeting Indian users and takes effect from July 31, 2025.

This initiative aligns with SEBI’s efforts to regulate financial content and curb misleading ads by finfluencers.

Ads will display a disclaimer showing SEBI registration details of the verified beneficiary and payer.

The verification process began on June 26, 2025, with a global rollout by July 28, 2025.

The new rules are expected to significantly impact finfluencers, especially those in a regulatory grey area.

Many finfluencers without formal SEBI recognition may be disqualified from paid promotions.

Over 50% of financial marketers have already paused influencer campaigns due to rising compliance risks.

Meta advises advertisers to complete verification using official business documents and recommends clients have access to ad accounts used on their behalf to comply

AIIB Subscribes to ₹1,301.25 Crore NCDs Issued by Aditya Birla Capital Limited

The Asian Infrastructure Investment Bank (AIIB) has subscribed to ₹1,301.25 crore worth of Non-Convertible Debentures (NCDs) issued by Aditya Birla Capital Limited (ABCL).

The investment is a three-year privately placed funding aimed at supporting renewable energy and electric mobility projects in India.

The financing will support lending for renewable energy generation, including:Solar, Wind, Geothermal, Pumped storage, Hydrogen production, Energy storage systems

AIIB has assisted ABCL in enhancing its Environmental and Social Management System (ESMS) to align with AIIB's framework for improved governance in sub-projects.

This investment supports India's climate commitments under the Paris Agreement and key government initiatives such as:National Infrastructure Pipeline, Renewable energy targets

ECONOMY

FSR Projects Non-Banking Finance Companies' Gross Non-Performing Asset Ratio Could Increase to 5.8% Under High-Risk Scenario

According to the Reserve Bank of India (RBI), Non-Banking Finance Companies' (NBFCs) Gross Non-Performing Asset (GNPA) ratio may rise to 5.8% from 2.9% in March 2025 under a severe stress scenario.

Under the baseline scenario, the system-level GNPA ratio of sample NBFCs may increase from 2.9% in March 2025 to 3.3% in March 2026.

The aggregate Capital to Risk-weighted Assets Ratio (CRAR) may decline to 21.4% in March 2026 from 23.4% in March 2025.

Under the baseline scenario, 10 NBFCs (all in the middle layer) may breach the regulatory minimum capital requirement of 15%.

Under medium and severe risk scenarios, income loss and additional provision requirements may further reduce CRAR by an additional 80 basis points (bps) and 100 bps, respectively, compared to the baseline.

Under the high-risk scenario, 15 NBFCs (all in the middle layer) may fail to meet the minimum regulatory capital requirement.

RBI's stress test covered 158 NBFCs, which together held total advances of ₹26.94 lakh crore as of March 2025, accounting for 95% of total non-government NBFC advances.

CCIL IFSC Ties Up with Standard Chartered Bank for Settlement Services in GIFT City

CCIL IFSC Limited, a subsidiary of The Clearing Corporation of India Ltd (CCIL), has partnered with Standard Chartered Bank.

Under the agreement, Standard Chartered Bank will serve as the Settlement Bank for the Foreign Currency Settlement System (FCSS) of CCIL IFSC Ltd in GIFT City, Gujarat.

The FCSS will initially facilitate real-time settlement of USD transactions within GIFT IFSC.

P D Singh is the CEO of India and South Asia, Standard Chartered Bank.

The Clearing Corporation of India Ltd (CCIL), established in 2001, plays a crucial role in India's financial infrastructure by providing clearing, settlement, and risk management services for various financial instruments.

IMPORTANT DAYS

Telangana Formation Day

On June 2nd, Telangana Formation Day 2025 is observed by the Telangana people.

It is a national event celebrated annually on June 2nd every year to celebrate the day when the state of Telangana was formed from the state of Andhra Pradesh.

On 1 November 1956, Telangana merged with Andhra Pradesh to form a unified state specifically for the Telugu-speaking people by sculpting that state from erstwhile Madras.

In 1969, the Telangana region witnessed a protest for a new state, and in 1972, a distinct Andhra Pradesh was formed.

In February 2014, The Telangana Bill was enacted by the Congress Working Committee and the Bharatiya Janata Party (BJP) in the Lok Sabha after nearly 40 years of agitation.

In 2014, the bill was introduced in the Indian Parliament, and the same year, the Andhra Pradesh Reorganisation Act was passed.

Telangana would be formed by 10 districts in northwestern Andhra Pradesh, according to the bill.