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100% FDI ALLOWED IN THE INSURANCE SECTOR

- The foreign direct investment (FDI) limit in the insurance sector was previously 74%. The "Sabka Bima Sabka Raksha Bill 2025," which allows increasing this limit to 100%, was passed in Parliament in December last year.
- After receiving the President's approval, the bill has become law.
- Following this, the Central Government has now permitted 100% automatic foreign direct investment in the insurance sector. However, it will be subject to approval and verification by the Insurance Regulatory and Development Authority of India (IRDAI), the Finance Ministry said.
- This move enables foreign companies to obtain full ownership in the sector.
- However, the Life Insurance Corporation of India (LIC) will follow a separate rule. Accordingly, foreign investment in LIC will remain automatically capped at 20%.

SETBACK IN THE CHINA–PAKISTAN ECONOMIC CORRIDOR PROJECT

- Under this project, a Chinese company named Hangeng, which was operating at Pakistan's Gwadar Port, has announced that it has completely halted its operations in both Pakistan and China.
- Despite facing heavy financial losses over the past three months due to electricity issues, labour wages, and delay charges, the company stated that operations were shut down as approvals were not granted.
- Although the Pakistan government provided support, the company reported that fundamental issues and regulatory barriers have disrupted an investment-friendly environment in the country.

APPOINTMENT OF NEW DEPUTY GOVERNOR OF THE RESERVE BANK OF INDIA

- The Central Government has appointed Rohit Jain as the new Deputy Governor of the Reserve Bank of India (RBI).
- Rohit Jain, who was serving as the Executive Director of the RBI, will hold the new position for a term of three years.
- As per the RBI Act of 1934, the Reserve Bank must have four Deputy Governors. J. Swaminathan, Poonam Gupta, and S.C. Murmu are currently serving as the other three Deputy Governors.

