# testbook WEEKLY GENERAL KNOWLEDGE BANKING AND FINANCE CAPSULE

3RD JULY - 9TH JULY 2018

DOWNLOAD THE APP







# WEEKLY GENERAL KNOWLEDGE BANKING & FINANCE CAPSULE (3<sup>rd</sup> July to 9<sup>th</sup> July 2018)

# **Banking News**

### 25 Countries in Global Banks' 'High Risk' List

- The main custodian banks shared a list of 25 countries named as "High-risk Jurisdictions" with Securities and Exchange Board of India (SEBI) recently.
- SEBI registered foreign portfolio funds invest in India through 56 countries. These 25 countries are now considered 'high risk'.
- China, UAE, Cyprus and Mauritius, Bahamas, Bahrain, Bermuda, British Virgin Islands, Cayman, Channel Islands, Cook Islands, Guernsey, Indonesia, Isle of Man, Jersey, Kuwait, Liechtenstein, Malaysia, Oman, the Philippines, Russia, Saudi Arabia, Thailand, Trinidad and Tobago, and Turkey have been named as "high-risk jurisdictions".
- SEBI Securities and Exchange Board of India (SEBI) is the regulator for Securities Market in India, aiming to protect the interests of investors in securities and to regulate and promote the development of the securities market and related matters.
- SEBI Chairman Ajay Tyagi
- SEBI Headquarter Mumbai

# Fusion Microfinance Reduces Interest Rate for Existing Customers

- Fusion Microfinance reduces Interest Rate from 140 points to 23 percent for the existing customers.
- This will allow new customers to avail loans at 23.5 per cent now instead of previous 24.6 per cent rate.
- The new rate of interest will be effective from 1<sup>st</sup> June 2018

**Fusion Microfinance** – It is a NBFC-Microfinance institution which serves over 10 lakh clients through its 375 branches across 14 states.

# SBI Card Launches Al Enabled Electronic Live Assistant (ELA)

- For the Customer support and interaction, SBI Card Launches AI enabled Electronic Live Assistant (ELA).
- On July 5, 2018, SBI Card, the country's second largest credit card issuer, announced the launch of ELA (Electronic Live Assistant), a virtual assistant for customer support and services.
- Customers can communicate with ELA in conversational language.

### State Bank of India (SBI)

• Tagline: The Banker to Every Indian

Headquarters: MumbaiChairman: Rajnish Kumar

# Indian Bank Revises FCNR (Banking) Term Deposit Rates

- Indian Bank has revised FCNR (Banking) Term Deposit Rates.
- The new Interest Rates on Foreign Currency Non-Resident (Banking) term deposits are as follows:

Term Deposits	Rates
>=1 year and < 2 years	3.59
>=2 years and <3 years	3.77
>=3 years and <4 years	3.89
>=4 years and <5 years	3.92
=5 years	3.93

### **Indian Bank**

- Tagline: Your Own Bank.
- **Headquarters:** Chennai.
- Chairman: T C Venkat Subramanian
- CEO: Kishor Kharat

# IIFL Tops for Equity Issuance for Private Sector Companies

- India Infoline (IIFL) have become India's No. 1 Financial Service Company for equity issuance for private sector companies in FY18.
- IIFL has been among the top investment bankers in India over the past few years in terms of capital raise.
- During the financial year 2017-18, IIFL completed twentyseven investment banking transactions including eleven IPOs (Initial Public Offers) and eight follow-on transactions involving top listed companies.

IIFL – It is a publicly listed company engaged in Investment Banking, Securities Dealing, Wealth & Asset Management and Loans & Mortgages.

### **ICICI Bank Mortgage Portfolio Crosses Rs 1.5 Trillion**

- ICICI Bank has announced that it has crossed the milestone of pay out mortgage loans of over **Rs 1.5 trillion.**
- It aims to grow its pan-India mortgage book to Rs 2 trillion by end of FY20
- The bank has also enabled online repository of 30,000 approved projects across 40 cities for its customers.

### Bank of Baroda Raises MCLR by 0.05%

- On July 5, 2018, State-run Bank of Baroda (BOB) has increased the marginal cost-based lending rates (MCLR) by 0.05 per cent for various tenors of loans.
- The lending rates will be effective from from July 7, 2018.

Tenors	New Rates
Overnight	8
One Month	8.5
Three Months	8.15
Six Months	8.35
One Year	8.50

# **Bank of Baroda**

• Tagline: India's International Bank

• Headquarters: Vadodara

• Chairman: Ravi Venkatesan

• CEO: P.S. Jayakumar

# Cabinet Approves Extension of Scheme of Recapitalization of RRBs

- On July 4, 2018, the Union Cabinet has approved the extension of the Scheme of Recapitalization of Regional Rural Banks (RRBs) for the next three years i.e. up to 2019-20.
- This will enable the RRBs to maintain the minimum prescribed Capital to Risk Weighted Assets Ratio (CRAR) of 9 per cent.

### 'GST Verify 'App Launched

 GST Verify 'App is launched for protection of consumers from fraud by Central Board of Indirect Taxes and Customs (CBIC)

- This app has been developed by B Raghu Kiran Joint Commissioner GST Hyderabad on July 5, 2018 and is operational across the country.
- Through this app the person collecting GST from consumers can be verified. It also provides the details of the person/ company collecting GST.
- Also, CBIC announced that a Composition TaxPayer should not collect the tax from his consumer.

**CBIC Chairman:** S Ramesh **Headquarter:** Ministry of Finance, New Delhi.

# World Bank Group Member IFC invests \$100 Millions in M&M

- World Bank Group Member International Finance Corporation (IFC) invests \$100 mn in Mahindra & Mahindra Financial Services Ltd. (M&M).
- On July 4, 2018, International Finance Corporation (IFC) invested \$100 million in M&M to give financial assistance to small and medium enterprises.
- This would be through secured non-convertible debentures.
  - IFC Headquarters: Washington D.C., US.
  - IFC CEO: Philippe Le Houerou
  - M & M Headquarter: Mumbai, India.
  - CEO: Anand Mahindra

### **HDFC Bank has Become the Most Valuable Bank**

- HDFC Bank is the most valuable bank in the emerging market outside China.
- On July 6, 2018, HDFC Bank overtook Russia's Sberbank to become the most valuable bank in the emerging market outside China.
- HDFC Bank's current market capitalisation is \$78.4 billion against Sberbank's \$74.4 billion.
- There are 11 Indian companies among the world's 500 biggest firms in terms of market capital.



### **RBI Gives Nod to the Second Bank from China**

- RBI has permitted another bank from China, **Bank of China** to operate in India.
- On July 5, 2018, RBI has issued licence to Bank of China to launch operations in India.

 This is the second Chinese lender to secure a licence to open a branch in India. In 2011, RBI gave approval to Industrial and Commercial Bank of China(ICBC) to open a branch in India. It currently has a branch in Mumbai.

### **Bank of China**

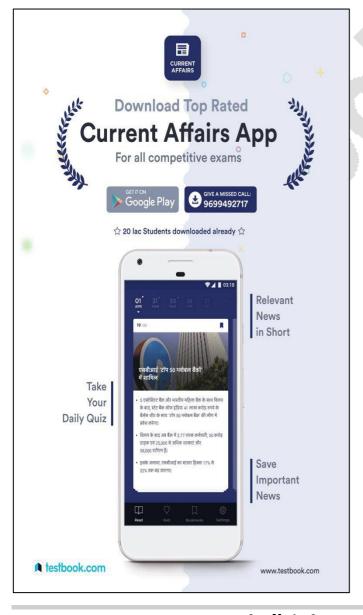
- CEO: Gao Yingxin.
- Headquarters: Beijing, China.

# Yes Bank's New Mutual Fund Business to Operate after SEBI's Final Nod

- On July 5, 2018, Yes Bank said it has received approval from capital markets regulator SEBI to start mutual fund business after RBI's approval.
- The name of the Mutual Fund business is Yes Asset
   Management (India) Limited (YAMIL). It will have its
   Headquarters in Mumbai.

### **Yes Bank**

- Tagline: Experience our Expertise
- Headquarter: Mumbai
- Chairman: Ashok Chawla
- CEO: Rana Kapoor



# Finance Ministry Keeps the Interest Rates of Small Savings Unchanged

- Finance Ministry keeps the interest rates of Small savings unchanged for the July-Sept quarter.
- This move is aimed at banks lowering their deposit rates.

Schemes	Interest Rates
5 yr Senior citizen Savings Scheme (paid quarterly)	8.3
Savings Deposits	4
Public Provident Fund (PPF)	7.6
National Savings Certificate (NSC)	7.6
Kisan Vikas Patra (maturity in 11 months)	7.3
Sukanya Samriddhi Account	8.1
Term Deposit (1-5 years)	6.6 – 7.4
5 years Recurring Deposit	6.9

# **New Appointments**

Muthoot Pappachan Group Appoints Vidya Balan as its Brand Ambassador

- Vidya Balan has been appointed as the brand ambassador for 2 years
- Rs 50 crore has been allotted for marketing campaign for this fiscal.
- Muthoot Pappachan Group is involved in the financial services business.

### **Muthoot Pappachan Group:**

- CMD Thomas John Muthoot
- Registered Office Trivandrum, Kerala

Vishwas Patel Appointed as Chairman of Payments Council of India

- Payments Council of India, who Payments Council of India represents companies in the payments and settlement system, has appointed Vishwas Patel as its new Chairman. Vishwas Patel is the Director of Infibeam Avenues
- He replaces Naveen Surya, who has been promoted as Chairman Emeritus. Vishwas Patel He has been serving as Co-Chairman of Payments Council of India since 2013
- Loney Antony has been appointed the new Co-Chairman of Payments Council of India.

### **Financial Schemes & MoUs**

# NABARD Sanctions Rs.735 Cr for 86 Projects in West Bengal

- NABARD sanctions Rs.735 Cr for 86 projects in West Bengal under Rural Infrastructure Development Fund (RIDF).
- These include 6 solar power, 1 medium irrigation, 5 minor irrigation and 12 flood protection projects, 57 projects for the widening and strengthening of roads and 5 rural bridges.

# Two 50MW Solar Projects in Ananthapuramu Solar Park Commissioned by Tata Power

- Tata Power Renewable Energy Ltd. (TPREL), a subsidiary
  of Tata Power, has announced the successful
  commissioning of two solar projects of 50 MW each in
  Ananthapuramu Solar Park, located in the state of Andhra
  Pradesh.
- These projects are under a 25 years power purchase agreement (PPA).

# RIL Becomes India's Largest Tax Payer in the Private Sector

- Reliance Industries (RIL), by paying ₹9,844 crore in FY18, becomes India's largest tax payer in the private sector.
- RIL's consolidated net profit for the fourth-quarter of fiscal 2017-18 stood at ₹9,435 crore, up by 17.3 percent on a year-on-year basis.
- The company's consolidated revenue stood at ₹1,29,120 crore.

# NPCI Awaiting RBI's Nod for UPI 2.0 'Standing Instruction Feature'

- Unified Payments Interface (UPI) will get a major upgrade with new features and a doubling of the transaction limit to ₹2 lakh.
- One prominent feature on the upgraded UPI application would be the 'block payment' option, which consumers can adopt for cab rides, ecommerce deliveries, buying stocks during IPOs and other transactions.

**UPI - Unified Payments Interface** is the instant inter-bank fund transfer mechanism operated by NPCI.

