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Only Banking!

The Banking Awareness PDF from Current Affairs

Issue #2 – January, 2018

Only Banking is a PDF which contains only the Banking Awareness from Current Affairs. Which means, if you want to study Banking Awareness or keep your banking awareness up to date. This is the PDF you are looking for.

1. Professionals carrying out asset valuations under *Companies Act and Insolvency and Bankruptcy Code* will have to get themselves registered with Insolvency Bankruptcy Board of India (IBBI) from April to conduct such activities.

About Insolvency and Bankruptcy Board of India

The Insolvency and Bankruptcy Board of India (IBBI) is the regulator for overseeing insolvency proceedings and entities like Insolvency Professional Agencies (IPA), Insolvency Professionals (IP) and Information Utilities (IU) in India.

Dr. **M. S. Sahoo**, Chairperson, Insolvency and Bankruptcy Board of India.

About Insolvency and Bankruptcy Code

The Insolvency and Bankruptcy Code, 2016 (IBC) is the **bankruptcy law of India which seeks to consolidate the existing framework by creating a single law for insolvency and bankruptcy**. The Insolvency and Bankruptcy Code, 2015 was introduced in Lok Sabha in December 2015. It was passed by Lok Sabha on 5 May 2016.

2. State Bank of India and the transporter's arm **Indian Railway Catering and Tourism Corporation (IRCTC)** will launch a co-branded debit card.

3. State Bank of India has joined hands with **National Bank for Agriculture & Rural Development (Nabard)** to grow its priority lending book as the country's largest lender plans to raise its stake with small and medium farmers, a majority of whom do not enjoy the access of bank loans. **SBI is the first one to join hands with Nabard and its partner NGOs in West Bengal to promote JLG method of lending to farmers at 7% interest in the state**, which is characterised by fragmented landholdings and low credit penetration.

About Joint Liability Group

- Joint Liability Group is a concept established in India in 2014 by the rural development agency National Bank for Agriculture and Rural Development (NABARD) to provide institutional credit to small farmers.
- Joint Liability Group is a group of 4-10 people of same village/locality of homogenous nature and of same Socio Economic Background who mutually come together to form a group for the purpose of availing loan from a bank without any collateral.

Purpose of JLG

- Providing Credit to Small and Marginal Farmers, Tenant Farmers, Oral Lessee, Landless Labourers and Artisans

- Providing Collateral free Loan to Groups
- Building Confidence between Groups and Banks
- To mitigate the credit risk by way of group dynamics, peer pressure, credit discipline and cluster approach.
- To provide self-employment and increase production of agricultural products.

About National Bank for Agriculture and Rural Development (NABARD)

Chairman: **Harsh Kumar Bhanwala** Established: **12 July 1982**

Headquarters: Mumbai

About State Bank of India

Chairman: **Rajnish Kumar** Established: **1 July, 1955**

Headquarters: Mumbai

- 4. Investment manager Principal Financial Group Inc said it would purchase Indian lender Punjab National Bank's (PNB) minority stakes in their joint ventures.**

About Punjab National Bank

Chairman: Sunil Mehta **Headquarter:** New Delhi

- 5. The Indian Institute of Corporate Affairs (IICA) and India Post Payments Bank in January signed an agreement for the training of employees of the latter in the area of payment banking.**

About India Post Payments Bank

The India Post Payments Bank (IPPB) has been incorporated as a public sector company under the Department of Posts with 100% GOI equity.

First branches opened in **Raipur** and **Ranchi**.

IPPB offers 3 distinct accounts, tailored to suit the requirements of people everywhere

- Regular Account – Safal
- Basic Savings Bank Deposit Account (BSBDA) - Sugam
- BSBDA Small - Saral

MD & CEO of India Post Payments Bank - Suresh Sethi

6. Andhra Pradesh Grameena Vikas Bank (APGVB) has operationalised it's first desktop ATM at Kasibugga in Mandi Bazar of Warangal in Telangana. The ATM is designed to work in harsh climatic conditions and minimum power requirements. They can dispense small denominations and cater to small cash needs of rural customers, who can use their Rupay ATM debit cards.

Andhra Pradesh Grameena Vikas Bank is sponsored by State Bank of India.

7. PHD Chamber of Commerce and Industry (PHD-CCI) recently signed collaboration with the **IDFC bank**. The main focus of the MoU between the PHDCCI and IDFC would be **to facilitate credit support to the MSMEs in the country**. Also the chamber will assist the micro, small and medium enterprises with the documentation procedures.

IDFC Bank Ltd. (Infrastructure Development Finance Company)

Headquarter: Mumbai

Chairman: Rajiv B Lall

The bank IDFC Bank is **the first in India to launch aadhaar-linked cashless merchant solution**.

8. The NABARD has sanctioned **Rs 372.51 crore loan assistance** under the **Rural Infrastructure Development Fund (RIDF)** to Odisha towards irrigation and rural bridge projects for the last quarter of this fiscal.

9. India's Allahabad Bank said the central bank has **initiated 'prompt corrective action' (PCA)** against the state-run lender over its high bad loans.

Allahabad Bank

Headquarter: Kolkata

Chairperson: Usha Ananthasubramanian (CEO & MD)

10. The Reserve Bank of India (RBI) is going to issue new Rs 10 notes under the Mahatma Gandhi series with chocolate brown colour as the base. The new note will bear the picture of the Konark Sun Temple.

Specimen of New ₹10 Note:



11. State-owned **Air India** has tied up with **UAE-based First Abu Dhabi Bank** as well as **Standard Chartered Bank** and **Mashreq Bank** to avail short-term loans for acquiring three Boeing 777 aircraft.

Bank Info

Mashreq Bank – Dubai, UAE

Standard Chartered Bank – London, UK

First Abu Dhabi Bank – Abu Dhabi, UAE

12. Fintech startup **Nearby Technologies** has tied up with **Yes Bank** to provide Aadhaar- enabled cardless and pinless **ATM service** by which customers can deposit or withdraw money at retailers' place.

About Yes Bank

Chairperson: Rana Kapoor

Headquarter: Mumbai

13. Paytm Payments Bank in January said it has **partnered IndusInd Bank** to introduce a facility to create a fixed deposit when the customer balance exceeds Rs 1 lakh at the end of day.

About Paytm Payments Bank

Chairperson: Reenu Satti

Headquarter: Noida, Uttar Pradesh

About IndusInd Bank

Chairperson: R. Seshasayee

Headquarter: Mumbai

14. Telangana Industrial Health Clinic Ltd (TIHCL), a State government initiative, has got RBI clearance to register and function as a non-banking finance company (NBFC). It will be the **first State promoted and co-financing NBFC**.

15. Urban Cooperative Bank Janata Sahakari Bank Pune has recently launched the application called “**Jet Pay**” which is based on latest technology of **Unified Payments Interface (UPI)**. It is headquartered in **Pune, Maharashtra**.

16. IndusInd Bank and **Dynamics Inc.** at the **2018 Consumer Electronics Show (CES)** announced plans **to introduce the first battery-powered, interactive payment cards to the Indian market in 2018**. The new IndusInd Bank card from Dynamics has multiple buttons that let the consumers use a single card to pay in multiple ways.

Note: 2018 Consumer Electronics Show (CES) was held in Las Vegas, Nevada, USA.



17. Punjab National Bank (PNB) and National Scheduled Castes Finance and Development Corporation (NSFDC) have tied up to provide financial assistance for economic empowerment of persons belonging to Scheduled Caste (SC) families living below Double Poverty Line (DPL).

What is Double Poverty Line?

At present persons whose family income is below ₹20,000/- per annum in rural areas and ₹27,500/- per annum in urban areas are considered to be below poverty line, and **those whose family income is below ₹40,000/- per annum in rural areas and ₹55,000/- per annum in urban areas respectively are considered to be below double poverty line.**

18. Taxi aggregator Ola in January announced signing of an MoU along with ICICI Bank to bring forth a range of integrated offers to their customers and driver-partners.

Through this alliance, **two of India's most popular and trusted brands will bring together their respective technology platforms to offer the following facilities:**

- **Ola booking facility on ICICI Bank's mobile banking platforms:** It will enable ICICI Bank customers to seamlessly book an Ola and pay the fare by using the bank's mobile banking applications; 'iMobile' and 'Pockets'.
- **Access to instant small ticket digital credit:** The facility will help Ola customers to get small ticket digital credit instantaneously from ICICI Bank, on the Ola Platform.
- **Enable digital payments to driver partners:** ICICI Bank will offer a 'Pay Direct' card for Ola's driver partners. With this, Ola's auto and cab driver partners will be able to get their daily earnings directly into their 'Pay Direct' card accounts.
- **Co-branded credit card:** ICICI Bank will launch a new co-branded credit card in association with Ola.

About ICICI Bank

Headquarter: Mumbai

Chairperson: Chhanda Kochhar

19. The Union Bank of India (UBI) in January launched project Utkarsh, aimed at providing better services to its customers. Under Utkarsh, UBI would provide home loans in five days to savings bank account holders.

About Union Bank of India

Chairperson: Rajkiran Rai G.

Headquarter: Mumbai

20. The Housing and Urban Affairs Ministry in January inked an MoU with Allahabad Bank for setting up an online portal for processing interest subsidy to be paid to people who availed loans under the Centre's DAY-NULM scheme.

About Deendayal Antyodaya Yojana-National Urban Livelihoods Mission scheme

Deen Dayal Antyodaya Yojana or DAY is a Government of India scheme for the helping the poor by providing skill training. It replaces **Aajeevika**. The Government of India has provisioned **₹50,000 crore** (US\$7.8 billion) for the scheme.

21. Public sector lender Bank of India (BoI) in January said it has entered into an Memorandum of Understanding (MoU) with Receivables Exchange of India Ltd (RXIL) as a Trade Receivables Discounting System (TReDS) partner for discounting invoices of MSMEs on digital platform.

About Bank of India

Chairperson: Dinbandhu Mohapatra (MD & CEO)

Headquarter: Mumbai

22. IDFC Bank will merge with Warburg Pincus-backed Capital First in an all-share deal, and V Vaidyanathan, the current chairman of Capital First, will become the MD and CEO of the merged entity, succeeding Rajiv Lall.'

23. YES Foundation, the social development arm of YES Bank, in January launched a programme to inculcate the spirit of responsible youth citizenship and drive social impact through the medium of films. The fifth edition of 'YES! i am the CHANGE' (YIAC) aims at providing youth, NGOs/ social enterprises with a platform to use films as a storytelling medium to drive social impact, Yes Bank said in a statement. The foundation has invited participation in the 'YIAC Social Filmmaking Challenge', to depict stories of change in a three-minute film. YES Foundation would support these NGOs with Grant of INR 7.5 Cr, towards scale up & capacity building. The grantee organizations will also receive 3-year mentoring to ensure onground tangible social impact.

24. Federal Bank has entered into a strategic partnership with **Hedge Equities Ltd** for providing Portfolio Investment Scheme (PIS) services to NRIs.

About Federal Bank

Chairperson: Shyam Srinivasan

Headquarter: Kochi, Kerala

25. The Haryana government has decided to form a non-banking financial company (NBFC) — **Haryana State Financial Services Limited** — to act as an in-house treasury manager for efficient management of surplus funds of State public enterprises and autonomous bodies.

26. Digital invoice discounting marketplace - Invoicemart has tied up with state-run lender **Bank of Baroda to discount invoices for MSMEs**. Buyers and sellers registered on the marketplace will now be able to access funding from Bank of Baroda. **Invoicemart is a joint venture between Axis Bank Ltd and mjunction services ltd.**

About Bank of Baroda

Chairperson: P. S. Jayakumar

Headquarter: Vadodara, Gujarat

27. Ujjivan Small Finance Bank Limited, a wholly owned subsidiary of Ujjivan Financial Services, in January announced the launch of its **Tax Saver Fixed Deposit (FD) across all bank branches nationally.**

About Ujjivan Small Finance Bank Limited

Chairperson: Samit Ghosh

Headquarter: Bengaluru

Tagline: Build a Better Life

28. State Bank of India in January said its board has given **nod to raise Rs 20,000 crore for financing affordable housing and infrastructure projects through long- term bonds.**

29. India's most-valued lender HDFC Bank Ltd in January crossed ₹5 trillion market capitalisation for the first time, making it only the third Indian company to achieve this milestone. Tata Consultancy Services Ltd (TCS) and Reliance Industries Ltd (RIL) are the other two companies which crossed market capitalisation of ₹5 trillion.

About HDFC (Housing Development Financial Corporation) Bank Limited

Chairperson: Aditya Puri

Headquarter: Mumbai

30. State Bank of India (SBI), the largest commercial bank in India, in January announced tie-up with Transfast Remittance LLC, the USA based payment network since 25 years with a network that covers over 6 billion people across 120 plus countries for inward remittance from the USA to India.

31. Amplus Energy Solutions in January announced entering into a pact with private sector lender **Yes Bank** for strategic tie-up to co-finance projects in the solar energy space in India.

32. Paytm Payments Bank in January announced the launch of **physical Debit Cards "RuPay Debit Cards"** for its banking customers to seamlessly make payments across online platforms and offline stores.

33. Banking finance company AU Small Finance Bank has signed an MoU with **LIC to offer Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY),** a company official said. Under the MoU, LIC will give a life cover of ₹2 lakh in case of death to the customer at a nominal premium of ₹330 per annum.

AU Small Finance Bank

Chairperson: Sanjay Agarwal

Headquarter: Jaipur

34. Axis Bank is partnering with **NGO Srijan** through an initiative called **Buddha Fellowship Programme** to help nurture talent for the development sector. The bank is mentoring 15 graduates from the Indian Institutes of Management at Kolkata, Ahmedabad and Shillong, who have been taken on board by Srijan as campus hires.

About Axis Bank

Chairperson: Shikha Sharma

Headquarter: Mumbai

35. Kerala based lender Federal Bank has launched a **chatbot based virtual assistant in the bank's mobile application FedMobile in partnership with Niki.ai**. Using the Chatbot feature, the users of the app can avail a host of m-commerce services by simply chatting on the application, said the company in a release.

36. Prodigee Finance Limited recently crossed that milestone and received their **NBFC license from RBI**, making it possible for the firm to provide Small and Medium sized Enterprises (SME) loans as part of their services.

About NBFCs

Types of NBFCs in India

1. Asset Finance Company (AFC)
2. Investment Company (IC)
3. Loan Company (LC)
4. Infrastructure Finance Company (IFC)
5. Infrastructure Debt Fund: Non- Banking Financial Company (IDF-NBFC)
6. Gold Loan NBFCs
7. Residuary Non-Banking Companies (RNBCs)

NBFCs perform functions similar to that of banks but there are a few differences-

- Provides Banking services to People without holding a Bank license,
- An NBFC cannot accept Demand Deposits,
- An NBFC is not a part of the payment and settlement system and as such,
- An NBFC cannot issue Cheques drawn on itself, and
- Deposit insurance facility of the Deposit Insurance and Credit Guarantee Corporation is not available for NBFC depositors, unlike banks,
- An NBFC is not required to maintain Reserve Ratios (CRR, SLR etc.)
- An NBFC cannot indulge Primarily in Agricultural, Industrial Activity, Sale-Purchase, Construction of Immovable Property
- Foreign Investment allowed up to 100%.

37. Indian Overseas Bank (IOB) had in January signed an MoU with **National Housing Bank** for implementing the **Rural Housing Interest Subsidy Scheme (RHISS)** of the **Union Ministry of Rural Development (MoRD)**.

About Indian Overseas Bank

Chairperson: R. Subramania Kumar

Headquarter: Chennai

About National Housing Bank

National Housing Bank (NHB), a wholly owned subsidiary of Reserve Bank of India (RBI), was set up on 9 July 1988 under the National Housing Bank Act, 1987.

Chairperson: Sriram Kalyanaram

Headquarter: New Delhi

38. The Union Government has allowed **Small Finance Banks and Payments Banks** to offer **Atal Pension Yojana (APY)**. **The Payments Banks and Small Finance Banks are a new model of banks conceptualised by the Reserve Bank of India (RBI)**. In total, 11 Payment Banks and 10 Small Finance Banks have received the license from Reserve Bank of India to start banking operations in India. The Small Finance Banks and Payment Banks are new age banks and given the strength, expertise and reach of these banks, they can play a pivotal role in the outreach of subscribers under APY.

39. The Finance Ministry has notified the recapitalisation bonds that will allocate ₹ 80,000 crore to 20 public sector lenders. The bonds, which are split into six instalments, will bear interest rates between 7.35 per cent and 7.68 per cent and will mature between 2028 and 2033. **State Bank of India will receive the largest chunk of capital from the bonds, estimated at ₹ 8,800 crore, followed by IDBI Bank at ₹ 7,881 crore and Bank of Baroda, ₹ 6,975 crore.** Last year, the Finance Ministry had unveiled plans to infuse ₹ 2.11 lakh crore capital in public sector banks that have been staring at mounting bad loans pegged at ₹ 6.9 lakh crore at the end of September 2017.

40. **POORTI Agri Services**, a Mumbai-headquartered start-up, dedicated to farmer's welfare, launched its mobile shopping app "FarmCart" and delivery management app "Dealer Bandhu" nationally here in January in presence of **Guest of Honour Chairman, of their partner bank SBI, Rajneesh Kumar.**

41. **State Bank of India is exploring the possibility of issuing credit cards to farmers.** The bank, through its credit card arm **SBI Card, a joint venture company between SBI and GE Capital**, currently issues credit cards to farmers on pilot basis in the states of **Rajasthan, Gujarat and Madhya Pradesh.**