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Finance and Banking

RBI keeps interest rates unchanged at six per cent, reserve repo rate at 5.75 per cent

- The Reserve Bank of India (RBI) on Wednesday kept the repo rate and reverse repo rate unchanged at 6 percent and 5.75 percent respectively.
- The central bank's six-member Monetary Policy Committee (MPC), in its Bi-monthly Monetary Policy Statement, 2017-18, noted that the GVA growth as per the first advance estimates (FAE) released by the Central Statistics Office (CSO) is estimated to drop to 6.1 percent in 2017-18 from 7.1 percent in 2016-17
- Consumer price index (CPI) inflation for 2018-19 is estimated in the range of 5.1-5.6 per cent in H1, including diminishing statistical HRA impact of central government employees, and 4.5-4.6 per cent in H2, the RBI said in its statement.
- The MPC said the decision is consistent with the neutral stance of monetary policy in consonance with the objective of achieving the medium-term target for CPI inflation of four percent within a band of +/- 2 per cent, while supporting growth.
- The RBI statement added that all governors voted in favour of this Monterey Policy, except one, who had proposed a 25 basis point increase in credit policy.

GST Council recommends relief in GST on Circus, Dance and Theatrical Performances

- The GST Council has recommended that the threshold price limit of Admission Ticket for circus, dance, theatrical performances including drama or dance, award functions, pageants, concerts, musical performances, and recognized sporting events may be increased from Rs. 250 per person to Rs.500 per person.
- The limit was increased for the purpose of GST exemption on Circus, Dance and Theatrical Performances. The Council has further recommended that admission to planetarium may also been given the benefit of this threshold exemption of up to Rs 500 per person.
- The Notification, giving effect to the recommendations of the Council, was issued on January 25, 2018.

GST Council recommends relief in GST on services provided by the Resident Welfare Associations

- In its 25th Meeting held on January 18, 2018, the GST Council recommended several measures granting relief from GST on a number of goods and services. One of the important reliefs granted by the Council was on the services provided by the members of a Resident Welfare Association (RWA).

- For this purpose, the Council recommended increase in the limit of contribution made by members of a Resident Welfare Association (RWA) from Rs 5000 to Rs 7500 per month per member.
- RWAs will be required to pay GST on monthly contribution charged from its members, if such subscription is more than Rs 7500 per month per member and the Annual Turnover of RWA by way of supplying of services and goods is also Rs 20 lakhs or more.

GST rate on admission to amusement parks and ballet reduced from 28% to 18%

- The GST Council recommended reduction of GST rate on services by way of admission to Amusement Parks including theme parks, water parks, joy rides, merry-go-rounds, go-carting and ballet from 28 per cent to 18 per cent. These services up till now attracted GST of 28 per cent.
- This change came after the council received requests from several quarters that amusement parks promote social wellness and learning for children and their families in a real active entertainment and therefore, the rate may be reduced to 18 per cent.
- The notification giving effect to these recommendations of the Council was issued on January 25, 2018.

RBI grants payment extension to select MSMEs

- In a bid to relieve Micro, Small and Medium Enterprises (MSMEs) of payment-related woes, the Reserve Bank of India (RBI) on Wednesday announced that select companies would be provided additional time to repay loans.
- Post the announcement of the sixth bi-monthly monetary policy statement, the RBI's six-member Monetary Policy Committee (MPC) said Goods and Services Tax (GST)-registered MSMEs with aggregate standard exposure of up to Rs. 25 crore with amounts overdue as on September 2017 would be allowed 180 days more to make repayments.
- Presently, banks and NBFCs in India classify a loan account as Non-Performing Asset (NPA) based on 90 and 120-day delinquency norms, respectively.
- To this, the RBI noted that formalisation of business through registration under GST had adversely impacted the cash flows of the smaller entities during the transition phase with consequent difficulties in meeting their repayment obligations to banks and NBFCs.
- As a measure of support to these entities in their transition to a formalised business environment, the MPC said the exposure of banks and NBFCs to a borrower classified as MSMEs under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, shall continue to be classified as a standard asset in the books of banks and NBFCs.

Apart from this, the MPC laid out a series of reforms implemented, as below:

- The sub-target of 8 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent Amount of Off-Balance Sheet Exposure (CEOBE), whichever is higher, will be made applicable for lending to the small and marginal farmers for foreign banks with 20 branches and above from FY 2018-19. Further, the sub-target for bank lending to the Micro Enterprises in the country of 7.50 percent

of ANBC or CEOBE, whichever is higher, will also be made applicable for foreign banks with 20 branches and above from FY 2018-19.

- The RBI introduced the Marginal Cost of Funds based Lending Rates (MCLR) system with effect from April 1, 2016 on account of the limitations of the Base Rate regime. With the introduction of the MCLR system, it was expected that the existing Base Rate linked credit exposures shall also migrate to MCLR system. It is observed, however, that a large proportion of bank loans continue to be linked to the Base Rate despite the Reserve Bank highlighting this concern in earlier monetary policy statements.

NHAI to launch pilot project for implementation of “Pay as You Use” Tolling on Delhi-Mumbai Highway

- The National Highways Authority of India on February 7, 2018 announced to launch a pilot project for the implementation of the “Pay as you use” tolling on Delhi-Mumbai Highway to study the implement ability of the system in the country.
- The pilot project involves implementing a satellite based electronic toll collection system running on GPS/GSM technology for around 500 commercial vehicles on the Delhi Mumbai national highway. The project will run for one year.
- Working on a combination of Mobile Telecommunications Technology (GSM) and the satellite-based Global Positioning System (GPS), the proposed tolling system will be able to deduct money from a vehicle account, credit the money to the concessionaire within one day and open the toll gate.
- In case of a failed transaction it would be able to alert the toll operator to collect payment manually and not open the gate.

First ever India-UK Createch summit produces £58m in commercial deals

- The India - UK Createch Summit took place in Mumbai today and is the first conference in India dedicated to the new and emerging field.
- This summit takes place at an exciting time and explored how the technology and creative industries are converging to produce a new wave of innovation which is leading to the development of new products and businesses.
- Virtual and augmented reality, robotics and artificial intelligence are increasingly commonplace, and are redefining how we live.
- They affect our experience of entertainment, and are improving all aspects of life, from healthcare to transport.
- The Summit was opened by Baroness Rona Fairhead CBE, Minister of State for the UK's Department for International Trade (DIT), and attended by HRH the Prince Edward, Earl of Wessex.
- It convened around 1,000 delegates from the film, advertising, healthcare, industrial design, music, gaming and immersive technology sectors.

AxisDirect launches WhatsApp Virtual Assistant

- Leading stock broking house, AxisDirect, announced the launch of WhatsApp broadcast services to provide timely and personalised market information to investors on the go.
- In this age of information overload, retail investors often find it a time-consuming process to track updates related to markets as well as their investment portfolio. The feature combines the convenience by leveraging WhatsApp as a medium of communication and offers personalisation by sending relevant content to users.
- This innovative feature provides not only personalised alerts, research ideas and market updates via WhatsApp but is also powered by an Artificial Intelligence (AI) based bot that can fetch live portfolio values, stock quotes, index values or even answer investor queries on chat.
- The service uses end-to-end encryption, thereby making it highly secure.

Jammu and Kashmir, Dubai Ports form JV for developing inland hubs

- In a significant move, the Jammu and Kashmir government and Dubai Ports Group today inked a pact for a joint venture involving maiden Rs 1,500 crore foreign direct investment for setting up inland logistic hubs in Jammu and Srinagar capital cities.
- "An MoU finalised for Joint Venture involving maiden Rs 1,500 crore foreign direct investment. The Memorandum of Understanding (MoU) for setting up inland logistic hubs in Jammu and Srinagar, as a Joint Venture between Dubai Ports and the Jammu and Kashmir government, was finalised at the delegation level talks between Sultan Ahmed Bin Sulayem-led DP team and Haseeb Drabu-led state government team," an official spokesman said.
- A high-level delegation of the Dubai Ports Group (DP World) led by its Chairman and CEO Sultan Ahmed Bin Sulayem arrived by a chartered flight here this morning to discuss the modalities for setting up inland logistics hubs in Jammu and Srinagar.

Insolvency and Bankruptcy Board of India amends regulations for insolvency resolution process

- Insolvency resolution professionals will now be required to assess the fair value and liquidation value of the entity undergoing insolvency proceedings, with the latest set of amendments to the regulations.
- The Insolvency and Bankruptcy Board of India (IBBI) has amended the norms pertaining to insolvency resolution process for corporate persons.
- Under the revised framework, the resolution plan approved by the committee of creditors -- should be submitted to the adjudicating authority "at least 15 days before the expiry of the maximum period permitted for the completion of the corporate insolvency resolution process".
- An official release today said the norms have been amended wherein the resolution professional should appoint two registered valuers to determine the fair value and the liquidation value of the corporate debtor.

Google India announces expansion of 'Internet Saathi' program to TN

- Continuing its digital literacy initiative aimed at empowering women in rural India, Google India and Tata Trusts announced the expansion of its 'Internet Saathi' program in the state of Tamil Nadu.
- Google India and the Tamil Nadu government also announced other initiatives to support the digitisation efforts in the state. Google India will facilitate the provision of Google Cloud credits and access through its affiliate for eligible startups engaged with the government's startup initiative. Google India will also, through its Developer Relations team, provide technical mentorship and advisory support to various startups.
- Other initiatives as part of the announcement include: working together to make all government sites mobile friendly, introduce joint programs to help local small and medium businesses get online, and internet safety education for children to stay safe online.
- Launched as a pilot in Rajasthan in July 2015 along with Tata Trusts, Google had announced the ambitious plans to scale the Internet Saathi program, to cover 300,000 villages across India in December 2015. In Tamil Nadu, the program has already started to roll out and will be covering over 4000 villages across 6 districts.

Railways Ministry signs MoU with AYUSH Ministry to augment AYUSH services in Railway hospitals

- The Ministry of Railways on February 6, 2018 signed Memorandum of Understanding (MoU) with the Ministry of AYUSH to augment the AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy) system services in Railway zonal hospitals at New Delhi, Mumbai, Kolkata, Chennai and Guwahati.
- The MoU was signed by Principal Executive Director of Health Gajendra Kumar, on behalf of the Ministry of Railways and Advisor Manoj Nesari from Ministry of AYUSH.
- The AYUSH health services will be augmented in B.R. Singh Hospital in Eastern Railway, Perambur Railway Hospital Southern Railway, Central Hospital of Northern Railway, JR Hospital in Western Railway and the Central Hospital of Northeast Frontier Railway.
- Railways Ministry will arrange for providing logistics and infrastructure in the form of Land & building, Equipments, Furniture, AYUSH medicines and consumables as well as Manpower as per its guidelines.
- Railways Ministry will also organize and provide orientation training to newly recruited AYUSH Doctors and AYUSH Paramedicals.
- While, the Ministry of AYUSH, in turn, will provide all other technical inputs required for introduction of AYUSH Systems in the five identified Railways Hospitals.

Hike app, Airtel join hands to embed 'Total' under 'Mera Pehla Smartphone' initiative

- Messaging app Hike today announced a strategic pact with Bharti Airtel to embed its new service 'Total' on mobile devices under the telecom operator's 'Mera Pehla Smartphone' initiative.

- A recently-announced offering by Hike, 'Total' allows users to access essential services such as messaging, news, recharge and others without a data connection.
- "Starting March 2018, select smartphones under the 'Mera Pehla Smartphone' will be shipped with Total as a preinstalled feature," said a joint release by the two companies.
- Commenting on the development, Kavin Bharti Mittal, Founder and CEO of Hike, said, "With 'Total' on 'Mera Pehla Smartphones', first-time users will find it easy understand and navigate a smartphone. Using data is also simplified and 'Total' users can get online with special data packs starting as low as Re 1".
- Under the 'Mera Pehla Smartphone' programme launched in October 2017, Airtel partnered with multiple mobile handset manufacturers to bring bundled 4G smartphones at affordable prices, to the market.

Google India, NCERT collaborates to launch 'Digital Citizenship and Safety' lessons in schools

- In order to make the Internet a safer place for everyone, Google India and National Council of Educational Research and Training (NCERT) have recently signed a pact to integrate a course on "Digital Citizenship and Safety" in the Information and Communication Technology (ICT) curriculum in schools.
- Students from class 1 to class 12 across 1.4 million schools in India would now learn how to become good and responsible digital citizens, through structured classroom modules on the social, ethical and legal aspects of Internet safety, as reported by IANS.

India successfully test-fires nuclear capable ballistic missile Prithvi-II

- India on February 7, 2018 successfully test-fired indigenously developed nuclear capable Prithvi-II missile from launch complex three of the Integrated Test Range at Chandipur near Balasore, Odisha.
- The user trial of this surface-to-surface ballistic missile was a complete success. The trial was carried out by the specially formed Strategic Force Command (SFC) of the India Army and was monitored by the scientists of Defence Research and Development Organisation (DRDO).
- This was the third test launch of an Indian missile this year. Earlier, Indian Army conducted successful trials of Agni-V on January 18, 2018 and Agni-I missile on February 6, 2018 from Abdul Kalam Island off Odisha coast.
- The last successful user trial of Prithvi-II missile was carried out on June 2, 2017 from the same base.

Appointments

Chief Justices appointed for five States

- The Centre on Tuesday appointed five new chief justices for High Courts in Karnataka, Kerala, Manipur, Meghalaya and poll-bound Tripura.
- Justice Dinesh Maheshwari, Chief Justice of Meghalaya High Court, will take over as Chief Justice of Karnataka High Court.
- The Karnataka High Court has been functioning under Acting Chief Justice H.G. Ramesh since October 10, 2017.
- Justice Antony Dominic, the present Acting Chief Justice of the Kerala High Court, has been confirmed as the Chief Justice of the court.
- He has a tenure of a little over two months till his retirement on May 29, 2018. Justice Dominic was made Acting Chief Justice on November 6, 2017. Justice Ajay Rastogi, a judge with the Rajasthan High Court, has been appointed Tripura High Court Chief Justice. Incumbent Chief Justice Tinlianthang Vaiphei is retiring on February 28 this year.
- Justice Tarun Agarwala, the Chief Justice of Allahabad High Court, has been appointed Meghalaya High Court Chief Justice and Justice Abhilasha Kumari, Gujarat High Court judge was appointed Manipur High Court Chief Justice.

Hardayal Prasad appointed as SBI Card MD & CEO

- SBI Card, the country's second largest credit card issuer, has a new Managing Director & Chief Executive Officer in Hardayal Prasad. Prasad has taken over from Vijay Jasuja, who superannuated on January 31.
- Prior to this appointment, Prasad was with State Bank of India, holding multiple leadership positions in the bank. He had joined SBI as a probationary officer in 1983.

GoAir appoints ex-Spirit Airlines executive Jyri Strandman as COO

- Wadia group-promoted GoAir has appointed American national Jyri Strandman as its chief operating officer.
- Prior to taking up his present assignment with GoAir in December last year, Strandman was working with the US-based ultra-low-cost carrier Spirit Airlines as its vice president for flight operations.
- In his capacity as COO, Strandman will be responsible for strengthening airline's flight operations, airport, security and airside operations (ASA), flight safety and inflight services (IFS), among others, a release said.

World

SpaceX launches Falcon Heavy, the world's most powerful rocket carrying car into space

- US space flight company SpaceX on February 6, 2018 launched the world's most powerful operational rocket 'Falcon Heavy' into the space. The Falcon Heavy blasted off from the Kennedy Space Centre at Cape Canaveral, Florida, United States.
- Falcon Heavy's smooth takeoff wasn't the only surprising thing about this launch, but also SpaceX managed to guide two of the Falcon Heavy's first-stage rocket boosters to land straight back on Earth. They landed in unison at a Kennedy Space Centre landing pad.
- Falcon Heavy carried a red Tesla Roadster car belonging to SpaceX and Tesla founder Elon Musk into space. The car was outfitted with a mannequin dressed in a spacesuit, a high-data storage unit containing Isaac Asimov's science fiction book series, the Foundation Trilogy, and a plaque bearing the names of 6000 SpaceX employees.
- Earlier, the only rocket that delivered more payload into the space was Saturn V moon rocket, which was last flown in 1973.