

# Financial News – December 2017

## ***Niti Aayog to set up special cell for women entrepreneurs***

- Niti Aayog has announced that it would be setting up women's cell to help women entrepreneurs.
- The announcement was made by Niti Aayog CEO Amitabh Kant along with Telangana IT Minister K Taraka Ramarao during the conclusion of the Global Entrepreneurship Summit in Hyderabad on 30 November 2017. Speaking on the occasion, Kant said that the centre will extend support to women start-ups and entrepreneurs.

### **Key Highlights**

- The cell will be handholding women entrepreneurs on matters such as financing and intellectual properties.
- It will act as a catalyst and facilitator for women start-ups that are viable and bankable.
- It will also closely work with the Telangana State Government's T-hub.
- Atal Tinkering labs will be specially setup at schools that women own to promote innovation and instil entrepreneurship among women at early stage under the Atal Innovation Mission.
- The selected schools will be provided with robots and 3D printers.

## ***Passengers can now book Rail Tickets from counters through UPI/BHIM App Payment System***

- With an aim to boost cashless transactions and passenger friendly measures, Railways Ministry on 30 November 2017 introduced the facility for booking railway tickets from railway counters through payment systems like Unified Payments Interface (UPI) and Bharat Interface for Money (BHIM) App.
- This facility will allow passengers to book reserved tickets from Passenger Reservation System (PRS) counters and book Season Tickets (MST and QST) from Unreserved Ticketing System (UTS) counters.

## ***Army, Rajasthan govt sign MoU to improve infrastructure near border***

- The Indian Army and the Rajasthan government have signed an MoU to improve infrastructure for their posts near the India-Pakistan border, an official said.
- As per the memorandum of understanding, the Army will be able to use an airstrip in Lalgarh-Jatan area in Sri Ganganagar district for 10 years.

## ***RBI asks cooperative societies not to use word 'Bank' in names***

- The RBI has asked co-operative societies not use the word 'Bank' in their names as it violates the Banking Regulation Act.
- In a statement, the RBI said that it has also "come to the notice" that some co-operative societies are accepting deposits from public which tantamount to conducting banking business in violation of the provisions of the Act.

## ***AP to set up India's first solar-wind hybrid project with battery back-up***

- Andhra Pradesh is planning to develop a 160 MW solar-wind hybrid project with battery back-up facility.
- Significantly, this is the first such project to be developed in the country.
- The project, to be developed on a 750-800 acre site, is expected to be tendered out by the Solar Energy Corporation of India.

## ***Telangana to soon have world's first IT campus for differently-abled***

- The state government of Telangana on 2 December 2017 signed an agreement with Vindhya E-Infomedia Private Limited to set up the world's first Information and Technology (IT) campus for differently-abled persons in Hyderabad.
- The agreement was signed on the eve of the World Disability Day (WDD). The proposed campus will focus on creating employment opportunities for persons with disabilities.

### **Iranian President Hassan Rouhani inaugurates first phase of Chabahar port**

- Iranian President Hassan Rouhani on 3 December 2017 inaugurated the first phase of the Chabahar port on the Gulf of Oman. Pon Radhakrishnan, Minister of State for Shipping, represented India at the inauguration ceremony of the Phase 1 of the Shahid Beheshti Port at Chabahar.
- Chabahar port is the new strategic route that connects Iran, India and Afghanistan bypassing Pakistan. The port in the Sistan-Balochistan province on the southern coast of Iran is easily accessible from India's western coast.

### **India's role in development of Chabahar port**

- India has been closely working with Afghanistan and Iran to create alternative, reliable access routes for trade.
- India and Iran on 23 May 2016 signed 12 memorandum of understandings and agreements, among which the most important one was the trilateral transit agreement between India, Iran and Afghanistan on Establishment of International Transport and Transit Corridor.
- As per the MoU, India will operate two berths in Chabahar Port Phase-I with capital investment of USD 85.21 million and annual revenue expenditure of USD 22.95 million on a 10-year lease.

### **Paytm Payments Bank commits Rs3,000 crore for offline banking network**

- Paytm Payments Bank will invest Rs3,000 crore to create a network of more than 100,000 consumer banking touch points over three years, it said in December.
- The payments bank is inviting retail stores and mom-and-pop businesses to become its local banking partners, which will be capable of accepting deposits, allowing withdrawals and taking in requests for new savings bank accounts.
- In December, 3,000 such outlets, called 'Paytm ka ATM' went live in Delhi-National Capital Region, Lucknow, Kanpur, Allahabad, Varanasi and Aligarh.

### **South Central Railway inks MoU with ISB for capacity building**

- The South Central Railway (SCR) and Indian School of Business (ISB) have entered into a Memorandum of Understanding (MoU) to collaborate in capacity building and research.
- As per a MoU signed here in December, the two entities will cooperate in hosting of leadership lecture series by faculty from ISB, capacity building workshops to train and update officers of SCR in areas such as performance management, strategy management and change management.

### **India and Germany sign Government to Government Umbrella Agreement**

- India and Germany on 4 December 2017 signed the Government to Government Umbrella Agreement concerning the Financial Cooperation in 2016 (II) under the Indo-German Development Cooperation.
- The agreement was signed to formalize an amount up to 200 million Euros for the financial cooperation in form of loan for the project 'Climate Friendly Urban Mobility III' and 11 million Euros in form of grant for four projects.

### **Manipur**

- The Loan Agreement was signed for the project "Community based sustainable Forest Management – Component I Manipur" was signed with KfW, Germany for a loan of 15 million Euros.

### **Madhya Pradesh**

- India and Germany signed the Loan Agreement for the project "Madhya Pradesh Urban Sanitation and Environment Programme" for 50 million Euro as a reduced interest loan and 2.5 million euro as a grant.

**Odisha**

- The Loan Agreement was signed for the project “Sustainable Urban Infrastructure Development Odisha – Phase II” for 55 Million Euros as a reduced interest loan with 2 Million Euros as a Grant.

**Maharashtra**

- Both the sides also signed the Loan Agreement for the project “Green Energy Corridor – Intra-State Transmission System in Maharashtra” for 12 million Euros in form of reduced interest loan.

***ADB lends \$583 mn for Reliance Power's 750-Mw project in Bangladesh***

- ADB’s financing package includes loans and partial risk guarantees for the power generation facility, as well as for the LNG terminal. The total project cost is approximately \$1 billion.
- ADB’s partnership with Reliance Power will help Bangladesh scale up its energy infrastructure to sustain and support the country’s economic growth.

***RBI keeps repo rate on hold at 6%, inflation forecast increased***

- The monetary policy committee (MPC) of the Reserve Bank of India (RBI), led by Governor Urjit Patel, kept its policy rate unchanged in December, as widely expected, after inflation accelerated to a seven-month high and stronger economic growth reduced the need for monetary stimulus.
- The market also seemed to be of the view that the six-member monetary policy committee will not change the policy repo rate. Besides rising inflation, the issues of hardening bond yields and tightening liquidity have reduced the scope for RBI loosen its stance.

**RBI Rate as of 7 January, 2018**

Policy Repo Rate	6.00%
Reverse Repo Rate	5.75%
Marginal Standing Facility Rate	6.25%
Bank Rate	6.25%

***RBI rationalises charges on debit card transactions***

- The Reserve Bank of India, In order to promote digital payments, came out with differentiated merchant discount rates (MDR) for debit card transactions, prescribing separate caps for small and large traders.
- The shift is aimed at giving a boost to the digital transactions in the country, as the government is not seeing any expected result despite giving a major thrust to digital payments.
- It is expected that introduction of differentiated MDR will help increase the acceptance of debit card usage and it will also bring down the cost of transactions for small merchants.
- MDR is the rate charged to a merchant by a bank for providing debit and credit card services.
- According to the latest notification, MDR charges for small merchants with a yearly turnover of up to Rs 20 lakh has been fixed at 0.40 percent with a cap of two hundred rupees per transaction by debit cards through Point of Sale (PoS) machines or online transactions.
- However, the charge will be 0.30 percent subject to a cap of two hundred rupees per transaction for accepting payments via QR (quick response) code based transactions.
- If the yearly turnover of a merchant is more than Rs 20 lakh, 0.90 percent MDR charges would be applicable with a cap of Rs 1000 per transaction. And the charges will be 0.80% with a similar cap if the transaction is through QR code.

**India's GDP growth to rise to 7.5% in 2018: Morgan Stanley**

- The Indian economy is expected to witness cyclical growth recovery, with real GDP growth likely to accelerate from 6.4 per cent this year to 7.5 per cent in 2018 and further to 7.7 per cent in 2019, says a report.
- According to global financial services major Morgan Stanley, corporate return expectations and balance sheet fundamentals are improving, and a strengthening financial system should be able to meet investment credit demand.

**CBDT extends deadline for linking of Aadhaar with PAN to 31 March 2018**

- The Central Board of Direct Taxes (CBDT) on 8 December 2017 extended the date for linking Aadhaar with Permanent Account Number (PAN) to 31 March 2018.
- The deadline was extended considering that some of the taxpayers have not yet completed the linking of PAN with Aadhaar.

**ADB lowers India's GDP forecast for FY18 to 6.7 per cent**

- The Asian Development Bank in December raised its economic growth estimate for developing Asia to 6 percent for this year from a previous estimate of 5.9 per cent, citing stronger than expected exports and China's resilience.
- The Manila-based ADB kept its 2018 growth forecast at 5.8 per cent.
- By region, South Asia will remain the fastest growing region in Asia Pacific, the ADB said, even after the bank cut its 2017 forecast to 6.5 per cent from 6.7 per cent, with India's growth outlook lowered to 6.7 per cent from 7.0 per cent.

**Boeing to manufacture and assemble aircraft components near Bengaluru**

- The state government of Karnataka on 11 December 2017 approved global aerospace major Boeing's proposal to set up an engineering and technology facility with electronics and avionics manufacturing and assembly on the outskirts of Bengaluru.
- The facility will be set up at an investment of Rs 1152 crore. It would be used to make aircraft components and subsystems.
- The facility will be built on the 41.7 acres of land that has been allotted to the company in the Aerospace Park at Devanahalli, about 40km from Bengaluru. It would be adjacent to the Bengaluru international airport.

**DCI, NHAI sign MoU to facilitate supply of sand**

- The Dredging Corporation of India (DCI) signed a Memorandum of Understanding (MoU) with the National Highways Authority of India (NHAI) on 12 December 2017 to enable the availability of sand for highway construction work.
- The Concessionaires working on highways projects have been facing a shortage of sand at many sites. Hence, the agreement aims to fill this gap by facilitating the availability of sand for these concessionaires.

**FundsIndia, YES BANK partner to launch UPI on mobile for faster, easier payments**

- FundsIndia.com, India's premier investment platform for mutual funds and equities, has partnered with YES BANK to launch Unified Payments Interface (UPI) on their Android app for mutual fund payments. Powered by YES BANK, FundsIndia becomes the first online mutual fund distributor to support UPI for client payments.

- UPI offers the benefit of instant processing of payments and is currently the fastest way to complete mutual fund transactions, compared to Net Banking, NEFT and other payment methods.

#### ***Rubique ties up with CIBIL to allow easier access to credit score checks***

- Rubique has announced its partnership with CIBIL in December, India's premier Credit Information Company (CIC) to provide credit scores and valuable insights on its platform, thereby increasing the transparency in the conventionally-opaque credit-seeking process for its users.
- This is the first ever tie-up for CIBIL with a fintech company like Rubique. It is part of the Rubique's vision to educate the population of India about the significance of credit scores in determining their credit-worthiness, and to enable them to better understand their eligibility for loans, cards, and other financial services.

#### ***In a first in India, Kerala unveils GST enabled e-ticketing for movie houses***

- For the first time in the country, Kerala has readied a centrally-run, server-based e-ticketing mechanism for movie houses. The state government will also roll out its e-booking app to reserve movie tickets within two months. The online e-ticketing facility for movies, enabled with GST (goods and services tax) norms, is open through the Kerala government website from Tuesday.
- However, in the initial phase, this facility is operative only for movie houses run by state-owned Kerala State Film Development Corporation (KSFDC). In the second phase, this facility will be available to all movie houses in the state.

#### ***OBOPAY gets a pre-paid instrument license from RBI***

- OBOPAY has secured a license for Prepaid Payment Instrument (PPI) from the Reserve Bank of India to operate a semi-closed loop wallet in the country, the global mobile payments company said.
- Using the PPI license, OBOPAY will solve various payment related problems for their partner clients bringing efficiency and transparency to the payments process, improving reporting, and reducing turnaround times for funds transfers.

#### ***AIIB approves \$335 mn loan for Bangalore metro project***

- The Asian Infrastructure Investment Bank (AIIB) in December said it has approved a \$335 million loan to finance a 100-per cent electric metro rail project in Bangalore.
- The multilateral development bank said in a statement that investment in the Bangalore Metro Rail Project—Reach 6 (R6) is AIIB's first metro project and its first joint financing partnership with the European Investment Bank (EIB).

#### ***Centre inks \$250 mn deal with World Bank for SANKALP project***

- The Finance Ministry in December said that the government has signed a \$250 million loan agreement with the World Bank for Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) Project.
- "A Financing Agreement for IBRD loan of USD 250 million (equivalent) for the 'Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) Project' was in December signed with the World Bank," the Finance Ministry said in a statement.
- Arun Jaitley the Union Budget 2017-2018 announced SANKALP project aimed at providing market relevant training to 3.5 crore youth across the country.

**RBI hikes FPI caps in G-secs by Rs 11,200 cr to Rs 3,01,500 cr**

- The Reserve Bank in December revised upwards the foreign portfolio investors' (FPIs) holdings limits in government securities by an aggregate of Rs 11,200 crore to Rs 3,01,500 crore for this financial year.
- Under the revised norms, which are applicable for the March quarter, FPIs will be able to invest up to Rs 2,56,400 crore in Central government securities, up from Rs 2,50,000 crore earlier, the RBI said.
- They will also be able to invest Rs 45,100 crore in state development loans (SDLs) as against Rs 39,300 crore earlier, the central bank said.

**MP approves Rs 7,546 crore Narmada, Parvati linking project**

- The Madhya Pradesh government has approved the Rs 7,546-crore Narmada - Parvati river linking project that seeks to create irrigation facilities on two lakh hectares of agriculture land in Malwa region of the state.
- Narmada Control Board (NCB), in a meeting held yesterday, approved the project for linking the two rivers- Narmada and Parvati- in Malwa region, a public relations department official said. He added that chief minister Shivraj Singh Chouhan chaired the meeting.

**RBI fines IndusInd Bank Rs 3 crore over compliance issues**

- After Yes Bank and IDFC Bank, the banking regulator has penalised private sector lender IndusInd Bank with Rs 3 crore for non-compliance with central bank's directions on income recognition and asset classification norms.
- This penalty has been imposed in the exercise of powers vested in RBI under the provisions of the Banking Regulation Act, 1949, taking into account failure of the bank to adhere to certain directions/ guidelines issued by RBI, it said.

**Income Tax department conducts surveys at Bitcoin exchanges country-wide**

- The Income Tax Department in December conducted survey operations at major Bitcoin exchanges across the country on suspicion of alleged tax evasion, official sources said.
- They said various teams of the sleuths of the department, under the command of the Bengaluru investigation wing, in December visited the premises of nine such exchanges in the country including in Delhi, Bengaluru, Hyderabad, Kochi and Gurugram, since early morning.

**Railway Board forms panel to review Flexi-fare system**

- The Railway Board has initiated the process of reviewing the Flexi-fare system in premium trains by evaluating the prices with that of other modes of transport in the same sectors. The move came after months of negotiations and deliberations.
- To initiate this process, the Railway Board has formed a 6-member committee to review the system and submit a report in one month.
- The panel consists of railway board officials along with Ravinder Goyal, Adviser, NITI Ayog, S Sriram, Professor of transport economics and Iti Mani, Director, Revenue, Le Meridien, Delhi and Meenakshi Malik, Executive Director, Revenue Management, Air India.

**Government to reimburse MDR on transactions up to Rs2,000**

- The government will bear the merchant discount rate (MDR) charges on transactions up to Rs2,000 made through debit cards, BHIM UPI or Aadhaar-enabled payment systems to promote digital transactions, information technology (IT) minister Ravi Shankar Prasad said in December.
- MDR will be borne by the government for two years with effect from 1 January 2018 by reimbursing the same to the banks. The move will have an impact of Rs2,512 crore on the exchequer. The decision was taken at the cabinet meeting chaired by Prime Minister Narendra Modi, Prasad said.

#### ***Axis Bank to launch 'Axis Start-up Social'***

- Axis Bank, India's third largest private sector bank is launching an exclusive networking property, Axis Start-up Social, at a 'one-of-its-kind' event aimed at supporting the country's start-up ecosystem.
- 'Axis Start-up Social' will go 'live' in December at a gathering of the country's leading start-up players at 'WeWork' a leading co-working place in Bengaluru.
- The unveiling of 'Axis Start-up Social' comes close on the heels of the launch of the bank's innovation lab, Thought Factory, which looks to aid start-ups to expand, besides opening up avenues with potential investors and companies.

#### ***CBEC hikes customs duty on import of microwaves***

- The Central Board of Excise and Customs (CBEC) in December announced an increase in the customs duty on import of microwave ovens and certain sections of mobile phones.
- On microwaves, customs duty has been doubled to 20 percent, from the earlier 10 percent rate.

#### ***GST Council makes inter-state e-way bill compulsory from February 1, 2018***

- Ferrying goods across states may get quicker as the GST Council in December decided to make rollout of all India electronic-way bill compulsory from February 1, two months ahead of the earlier plan.
- The decision comes after the Council, headed by finance minister Arun Jaitley, met earlier during the day via video conference, to decide upon the advancement of the implementation of e-way bill under the Goods and Services Tax (GST).
- Under GST rules, ferrying goods worth more than Rs 50,000 within or outside a state will require securing an electronic-way or e-way bill by prior online registration of the consignment.

#### ***Cabinet approves continuation of centrally sponsored NAM scheme***

- The Union Cabinet chaired by Prime Minister Narendra Modi on 15 December 2017 approved the continuation of Centrally Sponsored Scheme of National Ayush Mission (NAM) from 1 April 2017 to 31 March 2020.
- The government has set aside funds worth Rs 2400 crore for the project over the 3 year period. The Mission was launched in September 2014.
- The National Ayush Mission is being implemented by the Ministry of AYUSH with the objective of providing cost-effective AYUSH Services.

#### ***Cabinet approves amendment to law on cheque bounce cases***

- The Cabinet in December approved an amendment to a current law to allow for payment of an interim compensation in cheque dishonour cases with a view not to allow unscrupulous elements holding payments, pending long trial, sources said.

- An amendment to the Negotiable Instrument Act will allow a court to order for payment of an interim compensation to those whose cheques have bounced due to dishonouring parties, a move aimed at promoting a less cash economy. The amendment is likely to be introduced in the ongoing Winter Session of Parliament.
- Law Minister Ravi Shankar Prasad, while briefing the media about the Cabinet's decisions, said amendment to Negotiable Instruments Act, 1881 has been approved. The minister, however, did not provide details about the proposed amendment.

#### ***Haryana Signs MoU With AAI To Develop Hisar Airport As Aviation Hub***

- In an effort boost aviation sector in the state, the Haryana government in December signed a memorandum of understanding (MoU) with the Airports Authority of India (AAI) for development of an international aviation hub at Hisar.
- While adviser (civil aviation) Ashok Sangwan signed the MOU on behalf of Haryana, head of business management Anil Kumar Gupta was the AAI signatory. The development has taken place after detailed study of various projects or models in the country and the impact on grass root development of the Rohtak-Hisar-Sirsaregion by 2030.

#### ***Paytm QR announces direct payment acceptance into bank accounts***

- Digital payment giant Paytm has announced that its QR now allows offline merchants to accept unlimited payments directly into their bank accounts at zero charge, in a bid to democratise mobile payments for both merchants and consumers by offering them more choices and convenience.
- Now, consumers can scan and pay at merchant outlets using their preferred payment methods such as Paytm, UPI, Cards and net-banking.

#### ***Assam to hold its first global investors summit in Feb 2018***

- India's gateway to northeast India, Assam is all set to hold its first Global Investors Summit on February 3 and 4, 2018.
- The summit will be inaugurated by Prime Minister Narendra Modi and business delegations from the ASEAN countries as well as countries like Japan, UK, USA, and Canada are expected to attend the event.
- Business tycoons, including Tata, Ambani and Godrej, have held closed door meetings with Chief Minister Sarbananda Sonowal on substantial investments to be made in the state.

#### ***Cabinet approves North-East Special Infrastructure Development Scheme***

- The Union Cabinet led by Prime Minister Narendra Modi on 15 December 2017 approved the introduction of a new Central Sector Scheme - 'North East Special Infrastructure Development Scheme' (NESIDS) from 2017-18.
- The scheme is being introduced to fill up the gaps in the creation of infrastructure in specified sectors till March 2020. It would be fully funded by the central government.

#### ***AU Small Finance Bank inks pact with Institute of Company Secretaries of India***

- In a bid to provide banking services, training and employment opportunities to the students AU Small Finance Bank has entered into a Memorandum of Understanding (MoU) with Institute of Company Secretaries of India on December 17, 2017.
- The bank recently also entered into an agreement with Asset Management Companies (AMCs) to enable distribution of its mutual fund schemes.



***GSTN permits taxpayers to file returns on quarterly, monthly basis***

- Adding on to the new functionalities introduced on the Goods and Services Tax (GST) Portal, the GST network (GSTN) in December announced that it will now allow taxpayers to select the frequency of filing FORM GSTR1, that is, whether to file on quarterly or monthly basis.
- Taxpayers with annual aggregate turnover up to Rs. 1.5 crore, in the previous financial year or anticipated in the current financial year, can avail the option of filing quarterly returns.

***YES Bank, European Investment Bank to invest \$400 mn in renewable power projects***

- YES Bank joined hands with leading institutional lender of the European Union (EU), the European Investment Bank (EIB), to invest \$400 million in renewable energy projects. The fund, aimed at a period of 15 years, would look to support solar, wind, electric mobility and carbon mitigating infrastructure projects. The investment would be shared half among the two partners.
- The 15-year \$200 million EIB loan was approved by the EIB Board of Directors on 12th December and financial details of the new initiative are expected to be finalised in the coming weeks, said the public statement issued by the Yes Bank.

***AU Small Finance Bank joins hands with Sahaj e-Village***

- AU Small Finance Bank has announced signing an MoU with Sahaj e-Village for extending its banking service in remote areas through Business Correspondent Agent (BC) model.
- With this MoU, AU Bank will be able to further foster its mission of financial inclusion and greater customer outreach. Started in 1996, as AU Financiers, in December AU Small Finance Bank has a track record of over twenty years of serving the underbanked and unbanked.

***Ola acquires Foodpanda's India business, to invest USD 200 mn***

- Popular taxi aggregator Ola in December announced its acquisition of Foodpanda's India business from German-based Delivery Hero Group, and has committed to investing USD 200 million in the food delivery platform's India faction.
- Apart from the investment, the deal includes the transfer of Foodpanda's India business to Ola in an acquisition deal in exchange for Ola stock.

***Bharti Airtel to acquire Millicom's operations in Rwanda***

- Telecom operator Bharti Airtel in December said that it has signed an agreement with Millicom International Cellular S.A. to acquire 100 per cent stake in its Rwanda operation which operates under the brand name of Tigo Rwanda.
- Under this deal, Tigo's 370 million customers will join the network of Airtel Rwanda. The acquisition will make Airtel Rwanda the second largest operator in the country with revenues of over USD 80 million and a revenue market share of over 40 per cent, the statement said.

***India to host meeting of WTO member nations in February 2018***

- India has announced that it would be hosting a meeting of World Trade Organisation (WTO) member countries in February 2018 to muster support for food security and other issues.
- The announcement was made by Commerce and Industry Minister Suresh Prabhu while speaking at an event organised by Apparel Export Promotion Council (AEPC) in New Delhi on 18 December 2017.

***Skill Development Ministry, Maruti Suzuki sign MoU to impart skill training to youth***

- The Skill Development Ministry on 18 December 2017 signed a Memorandum of Agreement (MoU) with Maruti Suzuki to impart training to youth and enhance their employment potential.

- The agreement was signed by Vijay Kumar Dev, Director General, Directorate General of Training (DGT), Ministry of Skill Development and Entrepreneurship and Mukesh Kumar Gupta, Vice President of Maruti Suzuki India Limited in New Delhi.

### **India signs US\$ 125 million worth financing agreement with World Bank**

- India on 19 December 2017 signed a financing agreement worth US\$ 125 million with the World Bank for ‘Skills Strengthening for Industrial Value Enhancement Operation (Strive) Project’.
- The agreement for the IDA credit was signed by the Government of India with the World Bank in the national capital of the country, New Delhi.

### **Niti Aayog to set up Methanol Economy Fund**

- Government’s think-tank Niti Aayog is planning to set up a Methanol Economy Fund with a corpus of Rs 4,000-5,000 crore. It aims to promote production and use of the clean fuel through this fund.
- The Niti Aayog is intended to produce the fuel by converting high ash content coal into methanol and such a plant is likely to be set up by Coal India.

### **Finvasia gets licence to operate as NBFC**

- Chandigarh-based Finvasia, a fintech company offering zero brokerage, has received the Certificate of Registration (CoR) from RBI to operate as a non-banking financial corporation (NBFC). This extension will allow the company to offer loan-based products to retail and corporates alike.
- The company plans to develop block chain technology based P2P (peer-to-peer) lending platform.
- Peer-to-peer lending, also known as P2P lending, is a practice of lending money to individuals or businesses through online services that match lenders with borrowers.

### **RBI puts Bank of India under prompt corrective action**

- After placing a host of mid-sized public sector banks under the ‘prompt corrective action’ (PCA) framework due to their weak balance sheets, the Reserve Bank of India now seems to have turned its gaze on large banks.
- The Bank of India (BoI), in a stock exchange notice, said the RBI had placed it under the PCA framework, following an on-site inspection under the Risk Based Supervision Model carried out for year ended March 2017, and the report issued thereof.

### **Work begins on India’s first undersea tunnel for Mumbai-Ahmedabad bullet train**

- Work has begun on India’s first undersea tunnel through which the Mumbai-Ahmedabad bullet train will pass, according to the National High Speed Rail Corporation Ltd (NHSRCL) which is overseeing the project.
- According to Achal Khare, Managing Director, NHSRCL, the body aims to complete the undersea tunnel by August 15, 2022.
- Khare told reporters that the tunnel will be constructed 25 to 40 metres below the seabed.

### **Odisha government signs MoU with KfW, Germany for strengthening urban infrastructures**

- The state government in December signed a MoU with KfW, a development bank of Germany to avail a concessional long-term loan for strengthening urban infrastructures.
- According to the MoU, the German-based bank would provide low cost and long term funds worth Rs 440 crore for a period of 10 years to take up projects like energy efficient street lighting, reclamation and development of water bodies, solid waste management, sewerage systems, water supply, storm water drainage across 113 urban local bodies (ULBs).

### **India announces \$25 mn for Myanmar’s Rakhine State for development**

- India has announced a development assistance of \$25 million for Myanmar’s Rakhine State, from where thousands of Rohingya Muslims recently fled following incidents of violence against the community.

- External Affairs Ministry Spokesperson Raveesh Kumar said the amount will be spent over a period of five years.

### **Samsung, Axis Bank tie-up to offer 'Bill Payments' on Samsung Pay**

- Smartphone manufacturer Samsung in December launched its 'Bill Payments' on its flagship payments service, Samsung Pay in partnership with Axis Bank.
- The new feature launched by the company will enable users to pay their utility bills seamlessly via Samsung Pay's secure and convenient platform.

### **Union Government fixes projected investment in infrastructure at ₹38.22 lakh crore**

- The government has fixed at Rs 38,22,822 crore the revised projections for investment in infrastructure in the past five years.
- Finance Minister Arun Jaitley said in Lok Sabha that as per the NITI Aayog, the revised projection for investment in infrastructure in 2012-17 is Rs 38,22,822 crore, which is 1.6 times the investment of Rs 23,77,746 crore achieved in 2007-12 at current prices.

### **India inks deal on sharing Swiss bank data from January 2018**

- In a move aimed at combating black money stashed abroad, India signed an agreement with Switzerland in December that would allow automatic sharing of tax-related information from January 1 next year, the CBDT said.

### **TCS wins record \$2.25 billion Nielsen outsourcing contract**

- Tata Consultancy Services Ltd (TCS) has won a \$2.25 billion outsourcing contract, the largest ever bagged by an Indian information technology firm, from television ratings measurement company Nielsen.
- The deal marks the renewal of TCS's engagement with Nielsen, which first awarded a \$1.2 billion, 10-year contract to the Mumbai-based company in 2007. In 2013, the deal size was more than doubled to \$2.5 billion and extended by three more years until 2020.

### **Reliance Infrastructure sells Mumbai power business to Adani Transmission for Rs18,800 crore**

- Reliance Infrastructure Ltd (RInfra) in December said it has signed a definitive binding agreement to sell its Mumbai power business to Adani Transmission Ltd for Rs18,800 crore.
- While initially the company will be paid Rs13,251 crore, about Rs5,000 crore will come into the company's books after the successful resolution of certain regulatory issues, most likely in 2018-19, Reliance Infrastructure CEO Lalit Jalan told Mint.

### **Airtel Payments Bank Managing Director and CEO Shashi Arora quits**

- Airtel Payments Bank Managing Director and CEO Shashi Arora has resigned in the wake of the firm's eKYC licence suspension by Aadhaar-issuing body UIDAI.
- Arora has been working with Airtel in senior leadership roles since 2006. He was appointed MD and CEO of Airtel Payments Bank on June 1, 2016.

### **Govt allows companies to paste revised GST MRP stickers till March next year**

- The government has allowed companies, till March 2018, to paste price stickers on unsold packaged products to reflect new MRP post-GST, Consumer Affairs Minister Ram Vilas Paswan said in December.
- After Goods and Services Tax (GST) became effective from July 1, companies were asked to use stickers on unsold packaged commodities to display new maximum retail price (MRP) till September, which was later extended till December.

**Yes Bank sets up Medium Term Note (MTN) programme to raise \$1 bn**

- Private sector lender Yes Bank in December said it has established a Medium Term Note (MTN) programme to raise USD 1 billion (over 6,400 crore) by issuing debt securities on private placement basis. "The Bank has, on December 22, 2017, established a Medium Term Note programme for an amount of USD 1 billion, in order to enable the bank to issue debt instruments in the international capital markets, to eligible investors, from time to time, in one or more tranches and/or series," Yes Bank said in a regulatory filing.

**Govt Mint launches first home-grown high purity gold reference standard BND 4201**

- India's first home-grown high purity gold reference standard - the Bharatiya Nirdeshak Dravya (BND-4201) - was launched in December at the India Government Mint, Mumbai. BND-4201, which is the reference material for gold of '9999' fineness (gold that is 99.99 per cent pure), will be beneficial to the consumers and public at large to ensure purity of gold, said IGM, Mumbai, in a statement.

**Uttar Pradesh signs MoU with South Korea**

- The Uttar Pradesh government in December signed a memorandum of understanding with South Korea to enhance cooperation in the field of tourism, skill development, culture and farming.
- A delegation from Gimhae city of South Korea met Chief Minister Yogi Adityanath at Lucknow and discussed ways to improve cooperation between the two countries.

**Quikr acquires HDFC's digital, realty units in all stock deal**

- Mortgage lender Housing Development Finance Corp. Ltd (HDFC) in December announced the sale of two subsidiaries focusing on real estate brokerage and online property classifieds to Quikr India Pvt. Ltd for a total of Rs350 crore.
- HDFC Realty Ltd operates the brokerage business, while HDFC Developers Ltd owns the HDFC Red platform for online real estate classifieds. In a regulatory filing, HDFC said this is an all-stock deal, with the mortgage lender taking a minority stake in Quikr India.

**Economy may reach 7% growth in 2018: ASSOCHAM**

- The Indian economy may reach a 7 percent growth in 2018 with government policies tilting towards the stress-ridden rural landscape, the recently released ASSOCHAM Year-Ahead Outlook (AYAO) pointed out.
- The AYAO forecast also pointed out that after disruptions like demonetisation effect and GST roll-out, the economic expansion may reach the crucial 7 percent mark by the end of September 2018 quarter.

**Maharashtra, Uttar Pradesh top list of most GST collection in India**

- Comprising about 24 per cent of the total cess collections of Rs 30,224 crore under the Goods and Services Tax (GST) regime, Maharashtra and Uttar Pradesh are the top contributors among states and Union Territories in the first five months of the rollout of the GST regime.
- Maharashtra garnered Rs 3,702 crore and Uttar Pradesh collected Rs 3,549 crore through cess levied on sin and luxury goods since the July 1 rollout of the new indirect tax regime, Minister of State for Finance Shiv Pratap Shukla said in reply to a question in Lok Sabha in December. The individual contribution of these two states is even higher than the cess collected through imports, which stands at Rs 2,604 crore.
- Karnataka ranks third with cess collection of Rs 3,110 crore, followed by Chhattisgarh that raised Rs 2,288 crore as cess till November 30, the data provided by the government showed.

**Patanjali to invest Rs 671 cr in Chhattisgarh to build food processing unit**

- Baba Ramdev's Patanjali Ayurved Limited (PAL), country's fastest growing FMCG company, will invest Rs 671 crore in Chhattisgarh for setting up food and herbal processing unit.
- The company inked a memorandum of understanding (MoU) with the Chhattisgarh Government to set up the unit in Bijetala village of Rajnandgaon. The facility would come up 500 acres area, about 100 kms from the state capital.

- According to the company officials, the project would generate direct employment for 2200 persons besides indirect employment for 22 million people. Nearly 20 billion farmers would be benefited.

#### **India to link highway corridors to international trade points for ₹25,000 crore**

- To facilitate trade with bordering countries like Nepal and Bangladesh, India will link its major highway corridors to international trade points at a cost of Rs 25,000 crore, Union Minister Nitin Gadkari said.
- About 2,000 kms of highways will be constructed under the plan.
- The project is part of the Bharatmala Pariyojana, he added.

#### **Odisha recognised as 'Champion State' for recording highest growth in exports**

- The Centre has recognised Odisha as a 'Champion State' for recording the highest growth in exports during 2016-17, official sources said.
- This was announced during a review meeting of the Ministry of Commerce and Industry on the export performance of states and formulation of strategy attended by L N Gupta, MSME Additional Chief Secretary, Odisha.

#### **MoU inked for Petrochemical park in Kochi**

- An MoU for setting up a Rs 1,800 crore petrochemical park at Kochi, with the aim of making the port city a hub in the petrochemical production chain, was inked by the Kerala government and fertiliser major FACT, owned by the Centre.
- It will come up in 481 acres of land owned by the Fertilisers and Chemicals Travancore, the state government said. The park was aimed at making Kochi a hub in petrochemical production chain on par with Jurong in Singapore and industrial complexes in South Korea, it said.

#### **World Bank signs USD 318 mn loan agreement to support climate resilient agriculture in Tamil Nadu**

- The Government of India, along with the Government of Tamil Nadu signed a USD 318 million loan agreement with the World Bank in December, for the Tamil Nadu Irrigated Agriculture Modernization Project to promote climate resilient agriculture technologies, improve water management practices, and increase market opportunities for small and marginal farmers.
- With the signing of the agreement, it is likely that about 500,000 farmers, of which a majority are small and marginal, are expected to benefit from improved and modernized tank irrigation systems.

#### **Centre releases Rs 167 crore to 9 states for border development**

- The Home Ministry has released Rs 167 crore to nine states with international border for the development of infrastructure in forward areas, an official said in December.
- The states which will benefit include Rajasthan and Punjab, both having international border with Pakistan, and West Bengal and Assam, which share boundary with Bangladesh.
- An amount of Rs 167 crore was released recently by the Home Ministry to Meghalaya, Punjab, Rajasthan, Bihar, Sikkim, Tripura, Assam, Himachal Pradesh and West Bengal under the Border Area Development Programme (BADP), the official said.

#### **Paytm becomes India's first payments app to cross 100 mn downloads on Play Store**

- India's largest mobile-first financial services platform, Paytm in December announced that its app has crossed the 100 million milestone on Google Play Store in the second week of December 2017.
- This makes Paytm the country's first payments app to cross the 100 million downloads mark.

#### **Lok Sabha passes bill for GST cess hike on luxury cars to 25 per cent**

- The Lok Sabha in December approved a bill to hike cess on luxury vehicles from 15 per cent to 25 per cent with a view to enhance funds to compensate states for revenue loss following the rollout of GST.

- The GST (Compensation to States) Amendment Bill, 2017, was passed by the Lower House amid uproar by the opposition over controversial comments made by Union Minister Anant Kumar Hegde on secularism and the Constitution.

#### **Only 1.7% Indians paid income tax in 2015-16: IT Department**

- Just over 2 crore Indians, or 1.7 per cent of the total population, paid income tax in the assessment year (AY) 2015-16, according to data released by the I-T department.
- The number of income-tax return filers increased to 4.07 crore in assessment year 2015-16 (FY 2014-2015) from 3.65 crore in the previous year but only 2.06 crore actually paid tax as the others claimed income below taxable limits.
- In the previous AY 2014-15, 1.91 crore out of 3.65 crore who filed returns, had paid income tax.
- But the total income tax paid by individuals declined to Rs 1.88 lakh crore in AY 2015-16 from Rs 1.91 lakh crore in AY 2014-15.

#### **SLCM ties up with HDFC, IndusInd bank for post harvest credit**

- Agri service solutions provider Sohan Lal Commodity Management (SLCM) having operations across India and Myanmar has tied up with HDFC Bank and IndusInd Bank to provide collateral management services.
- SLCM will leverage its proprietary (patent pending) technology 'Agri Reach' and support both these banks towards offering more efficient post-harvest credit and storage service to farmers, millers and other stakeholders in the agriculture sector.

#### **Lendingkart raises Rs25 crore debt from State Bank of India**

- Lendingkart has raised Rs25 crore in debt from State Bank of India (SBI), a first for the country's largest public sector lender vis-a-vis a digital lending start-up.
- In a statement, Lendingkart said the Rs25 crore loan is in the form of cash credit facility which essentially allows the company to draw the amount over separate tranches as and when it needs it.

#### **India, World Bank ink \$40m loan agreement for UP tourism**

- An agreement for the International Bank for Reconstruction and Development (IBRD) credit of USD 40 Million for 'U.P. Pro-Poor Tourism Development Project' was inked in December between the Government of India and the World Bank.
- The IBRD will grant the loan which has a 5-year grace period, and maturity term of 19 years.

#### **KKR gets RBI nod to start India's 1st Foreign-owned ARC**

- US buyout giant KKR & Co has become the first foreign investor to fully own an asset reconstruction company (ARC) in India as it received approval from the Reserve Bank of India at a time when lenders are fighting with a pile of bad loans that have crippled their businesses.
- KKR, one of the most aggressive investors in financial services, plans to deploy a major chunk from its record Asia fund for buying troubled assets in the country,

#### **S&P puts Indian banks in 'Group 5' with Italy, Spain, UAE**

- The Indian banking sector has been classified under 'Group 5' along with countries such as Italy, Spain, Ireland, the UAE and South Africa by rating agency Standard & Poor's (S&P) on the basis of their economy and industry risk criteria, the American analysts said in December.
- Noting that the "low-income" Indian economy and the government's limited fiscal flexibility constrain the country's economic resilience, S&P in its "Banking Industry Country Risk Assessment: India", however, said the medium-term outlook for growth remains healthy, which "provide sound development opportunities for Indian banks".

#### **Telangana becomes first Indian state to give farmers 24-hour free electricity from Dec 31**

- Farmers in Telangana will get 24-hour free power supply from the midnight of December 31, the state government said in December.
- "Telangana is going to create history by becoming the first state in the country offering free power to farmers 24 hours a day," a release from the government said.
- As many as 23 lakh agricultural pump sets will be provided free power boosting the overall power demand to 11,000 MW by March next year, it added.

#### ***Pluto Exchange launches India's first bitcoin trading app***

- At a time when bitcoins are in focus for the wrong reasons, cryptocurrency dealer Pluto Exchange in December announced the launch of India's first mobile application for transacting in virtual currencies.
- At a press conference here, Pluto Exchange founder and Chief Executive Bharat Verma said his company is all set to launch the country's first app-based wallet that enables bitcoin transactions using a mobile number.

#### ***Lok Sabha passes Insolvency and Bankruptcy Code (Amendment) Bill***

- The Lok Sabha in December passed the Insolvency and Bankruptcy Code (Amendment) Bill 2017. The new amendments are part of the ordinance that was brought in earlier last month.
- The Bill prohibits certain persons from submitting a resolution plan in case of defaults. These include wilful defaulters, promoters or management of the company having an outstanding non-performing debt for over a year.
- The Bill also has provisions to bar the sale of property of a defaulter to such persons during liquidation.

#### ***Reliance Jio to buy Reliance Communication's wireless assets in \$3.75 billion deal***

- Debt-laden Reliance Communications has signed a deal to sell its wireless assets to Reliance Jio Infocomm, for a total value of nearly 240 billion rupees (\$3.75 billion), two sources familiar with the matter told Reuters in December.
- The two companies had announced late in December that Reliance Communications, backed by businessman Anil Ambani, would sell all its spectrum, tower, fibre optic and other telecom infrastructure assets to Jio, which is owned by Reliance Industries and is controlled by Anil Ambani's elder brother Mukesh Ambani, India's richest person. They did not give the value of the deal.

#### ***Rs 14,500 crore has been raised through its BHARAT 22 Exchange Traded Fund (ETF)***

- The Central Government revealed that an amount of Rs 14,500 crore has been raised through its BHARAT 22 Exchange Traded Fund (ETF), which was created to benefit long-term and retail investors by providing an opportunity to purchase equity stocks of government-run companies and earn stable returns.
- The objective of BHARAT 22 ETF is to invest in constituents (22 companies) of S&P BSE Bharat 22 Index and endeavour to provide returns before expenses, which closely correspond to the total returns of the index.

#### ***Assam gets Rs1,250 crore central fund for inland water transport***

- Union minister Nitin Gadkari in December announced that Rs1,250 crore has been sanctioned for overall development of inland water transport of Assam.
- The union minister for road transport, highways and shipping asked the state water resources department to involve a foreign consultant, if required, for preparing the Detailed Project Report (DPR) within three months, it added.

#### ***Allahabad Bank ties up with National e-Governance Services Limited (NeSL)***

- Allahabad Bank in December entered into an agreement with state-run National e-Governance Services Limited (NeSL) for utilizing the latter's Information Utility Services envisaged under the Insolvency and Bankruptcy Code, 2016.
- NeSL, owned by the government, is the first Information Utility entity registered by Insolvency and bankruptcy Board of India under IBBI (IU) Regulations, 2017.

**Bank of Baroda to acquire 51% stake in two JVs from UniCredit**

- Bank of Baroda has entered into an agreement with UniCredit SPA, Baroda Pioneer Asset Management Company Ltd and Baroda Pioneer Trustee Company Pvt Ltd to acquire a 51% stake in both the asset manager and trustee company.
- In a notice to the stock exchanges, the bank said it will acquire the stake from its joint venture partner UniCredit SPA, becoming the single largest shareholder in Baroda Pioneer Asset Management and Baroda Pioneer Trustee.

**"Bhavantar Bharpai": Haryana became the first state in the country to provide "secured price" of vegetable crops to its farmers**

- The Haryana Government in December launched country's first 'Bhavantar Bharpai' a scheme which would come into effect on January through which the state government would compensate farmers for price deficit for agricultural produce in which tomato, onion, potato and cauliflower have been included.
- The scheme, which mirrors a similar project that the BJP government in Madhya Pradesh has launched to ensure farmers were compensated for their agricultural produce, comes at a time when there is deep dissatisfaction among farmers over the uncertain price of their crops.
- The scheme will apply only to farmers growing vegetables.