

## ***RBI withdraws rule exceptions for NBFCs owned by govt***

- The Reserve Bank of India (RBI) has ended the special dispensations granted earlier for non-banking financial corporations (NBFCs) owned by the government.
- Instead, it has specified a roadmap, stretching till 2021-22, for these lenders to meet the norms on capital adequacy, provisioning and corporate governance. Among the entities affected are IFCI, Power Finance Corporation, India Infrastructure Finance Company, Indian Railway Finance Corporation, Indian Renewable Energy Development Agency and Housing & Urban Development Corporation.

## ***HDFC Bank recognized for best practices in payment security at visa summit***

- HDFC Bank has once again been recognized with the Champion Security Award at the 14th Visa Asia Pacific Security Summit. For the second time in a row, the bank has won the award in the India and South Asia category. The Award is a mark of excellence reflecting leadership in risk management and payment security performance.
- As India is transforming to digital India, consumers are shopping and paying with devices, and transactions are moving from cash to online digital modes. Visa believes in investing in new standards, technologies, and products that will equip financial institutions, merchants, third parties and consumers in the fight against fraud.

## ***Country's first AUSC power plant to come up in NTPC's Chhattisgarh station***

- India's first advanced ultra-supercritical thermal power plant would be set up in the Sipat station of the National Thermal Power Corporation (NTPC) in Chhattisgarh.
- The coal-fired project, one of the ambitious plans of the Centre, would have a capacity of 800 Mw. Indira Gandhi Centre for Atomic Research (IGCAR) has developed the technology, while power equipment major BHEL will design and manufacture the boiler and other equipment that NTPC would use.

## ***Financial Literacy Week to begin on June 4; Consumer Protection is the theme***

- The Reserve Bank of India has chosen customer protection as theme for the Financial Literacy Week beginning on June 4. This week long event ending on June 8 will focus on creating awareness among customers of banks about financial products and services, good financial practices and going digital, the RBI said in a statement.
- The week will focus on four consumer protection messages like 'know your liability' for unauthorised electronic banking transaction and Good practices for a safe digital banking experience.
- Among various messages, customers will be told through banners and posters that in case of unauthorised digital transaction if bank is informed within 3 days, the liability of the account holder is zero.

## ***Income Tax Department launches new Benami Transactions Informants Reward Scheme, 2018***

- The Income Tax Department has issued a new reward scheme titled "Benami Transactions Informants Reward Scheme, 2018" to seek people's participation in the Income Tax Department's efforts to unearth black money and to reduce tax evasion.
- The scheme is aimed at encouraging people to give information about benami transactions and properties as well as income earned on such properties by such hidden investors and beneficial owners.

Under the new rewards scheme, a reward up to Rs 1 crore would be given to those who can give specific information in prescribed manner to the Joint or Additional Commissioners of Benami Prohibition Units (BPUs) in Investigation Directorates of Income Tax Department about:

- Benami transactions and properties as well as proceeds from such properties which are actionable under Benami Property Transactions Act, 1988, as amended by Benami Transactions (Prohibition) Amendment Act, 2016.
- Substantial evasion of tax on income or assets in India which are actionable under the Income-tax Act, 1961

**Telangana government, LIC sign MoU for life insurance scheme for farmers**

- Telangana government and the LIC in June, 2018 signed an MoU for the implementation of a Rs five lakh life insurance scheme for the benefit of farmers in the state.
- The Memorandum of Understanding was signed in the presence of Chief Minister K Chandrasekhar Rao at an event where he addressed state agriculture department officers and others.
- Describing the scheme as the 'greatest thing' he has done in his life, Rao said it should be implemented from August 15.

**IDBI Bank CEO Mahesh Kumar Jain appointed RBI deputy governor**

- The government has appointed IDBI Bank CEO Mahesh Kumar Jain as the fourth deputy governor of Reserve Bank of India (RBI), filling up a post that had been lying vacant for almost a year.
- With nearly 30 years experience as a career banker, Jain will be in charge of RBI's banking supervisory department which is instrumental in cleaning up the banking system.

**Yes Bank launches Green Future Deposit scheme with an eye to raise Rs 1,000 crore**

- Private sector lender Yes Bank launched a deposit scheme in June, 2018, which could fetch up to 8 per cent for a tenure of little over 18 months.
- The bank is eyeing Rs 1,000 crore from the scheme 'Green Future:Deposit' in next three months. The launch coincides the World Environment Day.
- The bank said in a statement that this deposit account can be opened for 18 months and 8 days to 18 months and 18 days, with peak interest rate of 7.50 per cent per annum for a regular Green Future.

**Joint venture formed to set up India's first bio-refinery in Assam**

- An agreement to set up India's first bio-refinery – Assam Bio-Refinery Pvt Ltd – as a joint venture (JV) between state-run Numaligarh Refinery Ltd (NRL) and two foreign partners has been signed, NRL announced in June, 2018.

**Government launches 'Krishi Kalyan Abhiyaan' to help farmers raise their income**

- The Union Ministry of Agriculture and farmers' welfare has launched the Krishi Kalyan Abhiyaan from June 1, 2018 till July 31, 2018 to aid, assist and advice farmers on how to improve their farming techniques and raise their incomes.
- The Krishi Kalyan Abhiyaan will be undertaken in 25 Villages with more than 1000 population, each in 111 Aspirational Districts identified in consultation with Ministry of Rural Development as per directions of NITI Ayog. In the districts where the number of villages (with more than 1000 population) is less than 25, all villages will be covered.

**"Whatsapp for Credit Score": Wishfin launches free credit score on Whatsapp**

- Wishfin has launched a new product, "Whatsapp for Credit Score". Wishfin has integrated with Whatsapp to launch a free credit score on Whatsapp. This is a first of its kind, where Indian users will have access to their credit score on Whatsapp. This is also one of the early adaptations of Whatsapp for Credit monitoring globally.

**India receives cheapest LNG as Russia's Gazprom begins supplies**

- India on June 4, 2018 received its cheapest LNG (Liquefied Natural Gas) as Russian company Gazprom began shipping natural gas under a long-term deal. As per the sources, Gazprom is providing LNG at around USD 7 per mmBtu.

- The Russian rate is USD 1.5 per mmBtu less than the price at which Qatar's RasGas, India's oldest supplier, used to deliver LNG.

### **RBI to set up Public Credit Registry**

- The Reserve Bank of India (RBI) announced that a Public Credit Registry (PCR) would be set up in a modular and phased manner, to strengthen the economy's credit culture.
- The RBI's High Level Task Force, which submitted its report on April 4, had recommended that with a view to address information asymmetry, foster access to credit, and strengthen the credit culture in the economy, a PCR should be set up.
- In lieu of the same, the central bank, while announcing its bi-monthly monetary policy statement, said it has considered the recommendations of the Task Force and decided to set up a PCR in a modular and phased manner.
- Furthermore, the RBI said an Implementation Task Force (ITF) is being constituted to help design undertake logistics for the next steps in setting up of the PCR.

### **RBI raises policy rate for the first time in four years, maintains 'neutral' stance**

- The Reserve Bank of India in June, 2018 raised its policy rate for the first time in more than four years, due to inflation concerns, but kept its policy stance as "neutral".
- The monetary policy committee lifted the repo rate by 25 basis points to 6.25 percent, the first increase since January 2014, as predicted by 46 percent of respondents in a Reuters poll this week.
- All six members on the rate panel voted for an increase.
- The reverse repo rate was also raised by 25 basis points, to 6.00 percent.

### **Axis Bank launches new chat bot Axis Aha service for its customers**

- Private sector lender Axis Bank has launched a virtual assistant for customers armed with proprietary artificial intelligence and machine learning algorithms and named it Axis Aha.
- The chatbot is designed to provide relevant and contextual responses to customer queries and even helps make transactions on the chat window itself. Customers can initiate transactions either through voice or chat, said the bank in a press release.

### **RBI allows Urban Co-operative Banks to become Small Finance Banks**

- The Reserve Bank of India (RBI) on June 6, 2018 decided to allow voluntary transition of the Urban Co-Operative Banks (UCB) into Small Finance Banks (SFB), a move that is aimed at bringing UCBs into mainstream banking.
- The Urban Co-Operative Banks can now convert into SFBs after meeting the prescribed criteria. The details of the scheme will be announced separately by the RBI.
- The decision was taken during the meeting of the Monetary Policy Committee.
- The move is an outcome of the recommendations made by the High Powered Committee on Urban Cooperative Banks in August 2015. The committee was chaired by R Gandhi, the then Deputy Governor of the RBI.

### **RBI extends temporary loan repayment relief for small businesses**

- In a significant relief measure to small businesses, particularly, non-GST registered firms, the RBI tweaked norms exempting banks not to classify loans as NPAs even if payments are delayed by 180 days.
- Typically, banks and NBFCs have to classify an account as NPA if loan repayments are delayed for 90 days after due date. It may be noted that a similar exemption doubling the loan repayment delays up to 180 days was first extended to GST-registered MSMEs in February.