

# **BANKING AND FINANCIAL AWARENESS**

## **APRIL 2018**

### **SBI Signed MoU with IMGC**

- India's largest Public sector bank SBI and India Mortgage Guarantee Corporation (IMGC) has signed an agreement to offer mortgage guarantee scheme for planned non-salaried and self-employed home loan clients.
- The offering will further increase home loan eligibility up to 15 percent within the administrative criteria.
- India Mortgage Guarantee Corporation (IMGC) is India's first Mortgage Guarantee Company which facilitates Mortgage Guarantee.

### **Axis Bank Opens Representative Office in Sharjah**

- Axis Bank, India's private sector bank, has opened a new representative branch in Sharjah, UAE.
- It is to offer better in the emirate world and to increase its retail facilities to clients in the neighbouring northern emirates country.
- This is the third Axis Bank branch in the UAE after Dubai and Abu Dhabi.

### **PSBs to Link SWIFT With CBS**

- All the public sector banks will be going to link their SWIFT based systems with their own Core Banking Solution (CBS) systems by the end of April 30 as a standard to deter fraud.
- The state-run banks also determined to speed up the process of taking out "cyber insurance".
- Government Signs Guarantee Of Rs 5,000cr for IRFC Bonds
- The Ministry of Finance has confirmed the Government guarantee of Rs 5,000 crore in the current fiscal year for the IRFC bonds to be contributed by the Life Insurance Corporation (LIC).
- The movement will moreover ease the flow of borrowed funds for the Railways Ministry to undertake the project.

## Reserve bank of India is going to Release Rs.350 Coin

- The RBI is set to launch a new denomination coin of Rs 350 to denote the 350th Birth Anniversary of Shri Guru Gobind Singh Ji.
- The front surface of the coin will have 'Ashoka Pillar' carved on it, with the legend "Satyamev Jayate" written below.
- The reverse surface of the coin will have a picture of 'Takht Shri Harimandir Ji Patna Sahib'.

## SWIFT Introduces Universal Real-Time Payment Tracking

- SWIFT announces the expansion of its GPI Tracker to recount all payment instructions sent across the network, which enables GPI banks to track all their SWIFT payment instructions at all the times, and giving them full clarity over all their payments activity.
- The Tracker automatically presents status updates to all GPI banks involved in any GPI payment chain and allows linked banks to verify when a payment has been completed.

## Exim Bank Increases \$500 Million Loan Facility to ECOWAS

- The Export-Import Bank will give a USD 500 million credit service to Economic Community of West African States (ECOWAS) to fund various expansion projects in the western-south African country.
- By signing of line of credit (LoC) pact, the Exim Bank till the date has continued four Letter of Credit to the Bank for Investment and Development (EBID) of West African States, considering the cumulative value of LOCs to USD 1,000 million.

## HDFC Bank Signs MoU with Government e-Marketplace

- India's Private sector lender HDFC Bank has signed an agreement with the Government e-Marketplace (GeM) under which the HDFC bank will promote a host of services to the general public procurement portal for Central and state government organisations.
- The MoU is important as Government e-marketplace will convey transparency and efficiency in the procurement process with guaranteed and convenient payment to the sellers.

## Equitas Bank Ties Up With CSK

- Equitas Small Finance Bank has started a new 'Yellow Army Savings Account' to expand its customer base through its alliance with the Chennai Super Kings (CSK), a franchise of the Indian Premier League (IPL).
- The yellow army savings account will give an interest rate of 6% per annum for balance below Rs10 lakh and 6.5% yearly for the balance above Rs10 lakh.

## India and ADB Sign \$80 Million Loan Agreement

- The Asian Development Bank (ADB) and the Government of India have confirmed \$80 million loan agreement to support modernize technical and vocational education and training (TVET) institutions and enhance the skills ecosystem in the Himachal Pradesh.
- The project will promote the skill initiatives taken by the Government of Himachal Pradesh and assist the State step-up the reform and scale-up its skill improvement efforts.

## RBI Imposes Rs 58.9 Cr Penalty on ICICI Bank

- The Reserve Bank of India has imposed a penalty of Rs. 58.9 crore on ICICI Bank Limited, India's private sector bank, for non-compliance with the regulations issued by the RBI on direct sale of securities from bank's Held to Maturity (HTM) portfolio and defined disclosure in this regard.
- The Central Bank has put this penalty on the basis of the exercise of powers vested with the RBI under the provisions of the Banking Regulation Act, 1949, taking into account failure of the bank to adhere to central bank's directions or guidelines.

## SEBI Allows Physical Settlement of Stock Derivatives

- The stock market regulator Securities & Exchange Board of India (SEBI) has approved the physical settlement of both stock options and stock futures. Currently, only cash settlement of derivatives is allowed to settle physically.
- SEBI declared stock exchanges will also have the flexibility to offer a blending of cash settlement for stock options and physical settlement for stock or vice a versa.

## SBI Life Appoints Sanjeev Nautiyal as New MD & CEO

- SBI Life Insurance, a private life insurer, has appointed Sanjeev Nautiyal as SBI life insurance's new managing director and chief executive.
- He will replace Arijit Basu, who takes over a pivotal role in the State Bank of India Group.
- SBI Life insurance set up in 2001 is a joint venture between State Bank of India and BNP Paribas Cardif.

## **Doha Bank Sets Up Its First Branch Chennai**

- Doha Bank, the largest private commercial bank in the State of Qatar, has set up the first branch in the Chennai city bringing the total number of branches in the country to three.
- Currently, Doha Bank has a branch in Mumbai, Kochi and Chennai.
- The Chennai branch will serve the bank's growing client base in India offering a host of services which including corporate, retail, treasury, trade, finance and foreign exchange services.

## **FIEO and PayPal Inks MoU**

- PayPal, a digital payments company, and exporters' body the Federation of Indian Export Organisations (FIEO) have bound up to promote and boost exports, leveraging the technology platform.
- PayPal will work with FIEO to educate small and medium enterprises (SMEs) on how to leverage global opportunities, help and encourage them to get money in a safe and convenient manner with PayPal products.

## **RBI Revises Limits for Investment in Debt Instruments By FPI**

- The Reserve Bank of India has amended the limits on investment in debt instruments by foreign portfolio investors (FPI) and the revision is made in consultation with the central Government of India.
- The limit for FPI investment in Central Government securities (G-secs) is 5.5% for the financial year 2018–2019.
- The limit for FPI investment in state development loans (SDLs) is 2%.
- The overall limit for FPI investment in corporate bonds is 9%.
- The allocation of increase in G-sec limit over the two sub-categories like 'general' and 'long-term' is 50:50.

## ICICI Bank 1st To Get Swift's New Cross-Border Payment Service

- SWIFT, The Global financial messaging cooperative, has announced that ICICI Bank becomes its first Indian customer to go live with an advanced cross-border payments service.
- The cross-border payments service which refers to the gpi (Global Payment Innovation) Tracker.
- SWIFT's gpi tracker facilitates tracking of real-time payments across correspondent banks and it has a convenience to track the payments instructions across the correspondent banks globally.
- The Society for Worldwide Interbank Financial Telecommunication provides a network which enables financial institutions worldwide to send and receive information about financial transactions in a safe, regulated and stable manner.

## Deutsche Bank Names Christian Sewing New CEO

- Deutsche Bank AG is a German investment bank and financial services company.
- Deutsche Bank AG has appointed Christian Sewing as the new chief executive officer.
- He replaces the current chief executive officer John Cryan.
- Garth Ritchie has been promoted to Deputy CEO of Deutsche Bank.

## RBI Switches Back To GDP Scale to Measure Economy

- The Reserve Bank of India had turned back to the gross domestic product (GDP)-based measure which offers its growth estimates from the gross value added (GVA) methodology, citing global best practices.
- The government had started using GVA methodology from the month of January 2015 and had also changed the base year to 2018 from January.
- The Central Statistical Office had also started using GDP as the main measure of economic activities since January 15.

## SBI to Invest Rs 80 bn In Hydropower Project Of Nepal

- The State Bank of India (SBI) is going to invest a total of Rs 80 billion in the Arun III hydropower project of Nepal, which has 900 megawatts (MW) electricity production capacities.
- The SJVN, which has been awarded the construction of the mega power project of Nepal, will deal the formal contract soon.
- The Everest Bank Limited will also invest 3.60 Billion Rupees (2.25 Billion INR) in the Arun III hydropower project of Nepal.
- Everest Bank Limited is the Commercial Bank of Nepal, which is done a joint venture with the Punjab National Bank, India.

## India to Grow 7.3% This Financial Year, 7.6% in Next Says ADB

- India's economic growth is expected to bounce to 7.3 % this fiscal and further to 7.6 % in the financial year 2019–20 with raised productivity post-GST and investment restoration due to banking reform, the Asian Development Bank (ADB).
- Growth is expected to strike up further to 7.6 % in the Fiscal year 2019 as attempts are to restore the banking system.

## J&K Bank Launches Scheme for Industrial Units: Add-On Working Capital

### GST

- The 'Add-on Working Capital GST' scheme was launched by Finance Minister of J&K, Syed Altaf Bukhari, in the presence of Minister for Industry and Commerce Chander Parkash Ganga.
- Jammu and Kashmir Bank has launched a specific financing scheme to support the state industry cope with the delay in payment of GST under special tax relief.
- This scheme will considerably reinforce the business enterprises which are facing stressed liquidity position due to GST regime.

## The SBI Launched UK Subsidiary: SBI (UK) Limited

- The SBI has announced the launch of its UK subsidiary, SBI (UK) Limited, with an initial capital investment of 225 million pounds from its parent company.
- The Prudential Regulation Authority of UK wants foreign banks to start UK subsidiaries in the UK to shield depositories from uncertainties in foreign banks.
- It becomes the first foreign bank in the UK to ringfence its retail unit from its wholesale business.

## C.S. Ghosh Re-Appointed As Bandhan CEO

- Chandra Shekhar Ghosh has been re-appointed as managing director and Chief Executive officer of Bandhan Bank.
- He has been appointed for the duration of three years.

## Yes Bank Ties Up With Euronet India

- Euronet India, the Payment and transaction processing solutions provider and the wholly owned subsidiary of Euronet Worldwide, has partnered with Yes Bank to improve the bank's core payment infrastructure.
- Euronet will support the bank to switch transactions between endpoints, driving payment channels and card management services, among others.
- This deal will further extend Yes bank's market position in the payment marketplace in India and the Asia Pacific alike.

## Bhanu Pratap Sharma Appointed As Chairman of BBB

- Bhanu Pratap Sharma has been appointed as the new chairman of Banks Board Bureau (BBB) by the Union Government.
- The BBB is an independent body of the Government of India and tasked to reform the governance of public sector banks.

## AIIB to Invest \$140 Million to Improve Rural Connectivity

- The Asian Infrastructure Investment Bank (AIIB) has approved a \$140 million loan to improve rural connectivity in Madhya Pradesh.
- This project is co-financed with the World Bank.
- AIIB is multilateral development bank which was initiated by China with a view to providing finance to projects on infrastructure development and regional connectivity in Asia-Pacific region.

## 11 Public Sector Banks Placed Under RBI's PCA Framework

- The Reserve Bank of India has put 11 public sector banks under Prompt Corrective Action restricting lending activities of the banks over the issue of non-performing assets.
- Allahabad bank, United Bank of India, Corporation Bank, IDBI Bank, UCO Bank, Bank of India, Central Bank of India, Indian Overseas Bank, Oriental Bank of Commerce, Dena Bank and Bank of Maharashtra.

## Centre, Maharashtra government & World Bank sign 420 Million Dollar Project

- The Central government of India, the state Government of Maharashtra and the World Bank have confirmed a 420 million dollar project to support small and marginal farmers in the Marathwada and Vidarbha region of the state.
- The Maharashtra Project for Climate Resilient Agriculture will be performed in rural areas largely dependent upon rain-fed agriculture.

## SIDBI Foundation Day – Launches ‘Samridhi- Virtual Assistant’ & ‘Bankability Kit’

- SIDBI has celebrated its foundation day as a day of Sampark means to connect, Sanwad means interaction, Suraksha means security and Sampreshan means disseminate.
- Mohammad Mustafa, Chairman Managing Director of SIDBI, has also launched a series of initiatives from its Lucknow bank headquarters.
- Throughout the day, a ‘Bankability Kit’ was launched by a bank. It is made in cooperation with Bank of Baroda and IDBI Bank. It comprises what bankers seem at, how to interact with banks, the care to be taken, do’s and don’ts and many more.
- A MoU was confirmed with The New India Assurance Co. Ltd. and two more MSMEs which were issued insurance policies.
- Bank also launched ‘Samridhi- the virtual assistant’ on banks revamped universal loan portal [www.udyamimitra.in](http://www.udyamimitra.in). It will also answer standard queries of customers 24\*7.

## RBI Changes the Methodology for Bond Valuation To Check Manipulation

- The Reserve Bank of India has revised the methodology used by debt market players which include banks and primary dealers, for their valuation.



- It intends to prevent the possibility of manipulation in the prices of securities, mainly government securities (G-Secs).
- As per reserve bank of India directive, security or bond valuation will be based on the weighted average price of the last half-an-hour of trading on the last trading day of every quarter against the last traded price earlier.
- The methodology means as for how bonds are valued is crucial for mark-to-market (MTM) purposes.

## Indian Army and HDFC Bank Signed MoU

- A Memorandum of Undertaking (MoU) was signed between the Indian Army and HDFC Bank on the Defence Salary Package.
- The current MoU is tailor-made to suit the demands of serving soldiers, pensioners and families.
- Under the current MoU apart from other benefits the Army personnel will get free personal accident death coverage and free permanent disability cover of Rs 30 lakhs, free educational cover of up to Rs 1 Lakh per year for continuous four years for education of dependent child in case of accidental death of defence personnel and 100% processing fees waived for Car Loans and Personal Loans.
- The first MoU between HDFC Bank and the Indian Army was approved in 2011 and was renewed in Mar 2015.

## Soft Bank Signs \$930 Million Deal to Set Up Solar Venture in India

- Soft Bank has signed a \$930-million deal with China's energy conglomerate Golden Concord (GCL) to manufacture and sell solar equipment in India.
- The joint venture will work on photovoltaic technology, which is used in solar panels.
- GCL will give technology and Soft Bank will assist to get land and regulatory permissions.
- India is going to plan to have a totally renewable energy capacity of 175 GW by 2022 through a mix of natural sources like solar, wind, biomass and small hydro.
- In this joint venture, GCL will make an investment of 40% and the remaining 60% by Soft Bank. This project will have a 4 gigawatt-capacity and it is going to produce solar ingots, silicon wafers, batteries, and components.

## Jio Payments Bank Begins Its Operations

- Jio Payments Bank Limited has started its operations as a payments bank from April 3, 2018.
- It is a joint venture of Reliance Jio and the state bank of India.
- Reliance Industries Ltd was one of the 11 applicants which were issued an in-principle approval to set up payments bank in August 2015.

## **Jana Small Finance Bank Commences Operations**

- Jana Small Finance Bank formerly known as Jana Lakshmi Financial Services has announced the commencement of its banking operations.

## **SEBI Doubles Investment Limit of Angel Funds to Rs10 crore**

- Looking to give an incentive to start-ups, markets regulator Securities and Exchange Board of India (SEBI) has determined to double the investment limit of angel funds in venture capital undertakings to Rs10 crore from the current limit of Rs5 crore.
- The SEBI board has signed amendments to Alternative Investment Funds (AIF) regulations with respect to 'Angel Funds.'

## **IndusInd Bank Gets RBI Nod to Acquire IL&FS Arm**

- IndusInd Bank, a Private sector lender, has received RBI's consent to buy the securities services arm of IL&FS.
- In March 2017, the bank has entered an agreement with Infrastructure Leasing and Financial Services, the promoter shareholder of IL&FS Securities Services Ltd (ISSL), to obtain 100% stake in ISSL.

## **1st Bi-monthly Monetary Policy Statement Released by RBI**

- The Monetary Policy Committee (MPC) has decided to keep the policy repo rate under the liquidity adjustment facility (LAF) same at 6.0%.
- The Reverse Repo Rate (RRR) under the LAF remains same at 5.75%, the Marginal Standing Facility (MSF) rate and the Bank Rate at 6.25%.
- India's real gross domestic product (GDP) growth marginally goes upward from 6.5% to 6.6% in the first advance estimates.
- Retail inflation came down from 5.1% in January to 4.4% in February.

## **AIIB Approves \$140 Million Loan to Improve Rural Connectivity in**

### **Madhya Pradesh**

- Madhya Pradesh state will get a USD 140-million loan to improve by rural connectivity by the Asian Infrastructure Investment Bank who has decided to extend the loan.
- This will benefit around 1.5 million rural residents of Madhya Pradesh and will directly get benefit from improved livelihoods, education and mobility.
- The project is co-financed by the World Bank which intends to develop rural road connectivity and management for residents of 5,640 villages who use the rural roads for daily activities.

## **SIDBI Ties Up With CSC to Promote MSEs In 115 Districts**

- Small Industries Development Bank of India (Sidbi) has planned to promote and develop micro-enterprises in 115 aspirational districts in the country to contribute their development and this was announced by Mohammad Mustafa, Sidbi Chairman and Managing Director.
- For this, the bank has tied up with Common Service Centre (CSC) to meet this aim.
- Micro enterprises promotion programme (MEPP) will be conducted in those selected districts.
- Last month, SIDBI has signed a memorandum of understanding with CSC e-governance Services (CSCeGS) to take Udyami Mitra portal to the unserved and the underserved MSMEs.

## **World Bank Projects India's Growth Rate at 7.3 Per Cent for The Current**

### **Fiscal**

- The World Bank has forecast a growth rate of 7.3 percent for the current fiscal year in India and 7.5 percent for the fiscal year 2019 and 2020.
- The World Bank has also seen that Indian economy is recovered from the impacts of demonetisation and the Goods and Services Tax.
- NERL Brings To ICICI Bank, HDFC Bank As Repository Participants.
- National E-Repository Limited (NERL), a group company of National Commodity and Derivatives Exchange Limited (NCDEX), has taken ICICI Bank and HDFC Bank on board as the repository participants for pledge finance.
- NERL has signed an agreement with ICICI and HDFC, the banks where they will offer pledge finance against eNWRs created on NERL's repository platform commodities stored in warehouses registered with Warehousing Development and Regulatory Authority (WDRA).

## RBI has Tighten Monitoring of Liberalised Remittance Scheme

- The Reserve Bank of India has tightened reporting norms for the Liberalised Remittance Scheme (LRS) under which an individual can transfer up to \$2, 50,000 abroad per annum.
- The Liberalised Remittance Scheme transactions are currently allowed by banks based on the declaration made by the remitter.
- To improve monitoring and to ensure compliance with the LRS limits, it has been determined to put in place a daily reporting system by Authorised Dealer (AD) banks of transactions undertaken by individuals under LRS, which will be open to all the other ADs.

## Government Raises NABARD's Authorised Capital to Rs 300 Billion

- The central government of India has raised the authorised capital of Nabard by six times to Rs 300 billion to support and to increase its lending to the rural economy.
- It has been determined as a part of the drive to double the income of farmers by the end of the financial year 2022.
- The increase in authorised capital will facilitate Nabard to respond to its commitments it has undertaken, especially in respect of the Long Term Irrigation Fund and on-lending to cooperative banks.

## Kotak Mahindra Bank: 2nd Most Valuable Bank

- The Shares of private lender Kotak Mahindra Bank Ltd beat India's largest public sector Lender State Bank of India (SBI) for the first time to become the second most valued bank in the country.
- Kotak Mahindra Bank has a market capitalization of Rs2, 22970.40 crore while SBI has a market capitalization of Rs2, 22,043.74 crore.
- HDFC Bank Ltd remained country's most valuable bank with a market capitalization of Rs5.04 trillion.
- Kotak Mahindra Bank shares have been improved by 33 percent in the last one year as compared to a 15 percent decline in the SBI stock. HDFC Bank and IndusInd, Private sector lenders, both have grown by 30 percent in the past year.

## India to Grow At 7.4% in 2018: IMF

- As per the International Monetary Fund (IMF), India's economic growth will quicken in the current and next fiscal years.
- India's economy is forecasted to grow at 7.4% in the current fiscal from 6.7% in FY18 and accelerate further in FY20 at 7.8%.

## NABARD Approves Rs 14,690 Cr Funding To Rajasthan

- National Bank for Agriculture and Rural Development (NABARD) has increased total credit of Rs 14,690 crore to Rajasthan for the financial year 2017-18.
- Rajasthan has been one of the biggest beneficiaries under the Rural Infrastructure Development Fund (RIDF) of NABARD.
- For this, NABARD has disbursed concessional loan of Rs 1,851.29 crore to the state government during the financial year 2017-18.
- The bank now has sanctioned for 10 irrigation projects, construction of 1614 roads and two rural drinking water supply projects.

## SBI India's Most Trusted Bank, ICICI Tops in Private Sector: Report

- State Bank of India tops the chart of BFSI (Banking and Financial Services Institutions) super-category.
- ICICI bank raised 9 ranks to become the topmost bank among the private banks. In the overall ranking comparing brands from across sectors, ICICI Bank ranked 38th in 2018.
- Nearly 51 brands from the BFSI sector got listed among the 1,000 most trusted brands in the country this year.
- The public sector major Punjab National Bank ranks sixth among the public sector banks (PSB) and 297th in the overall rankings.

## Standard Chartered Bank Signs with Zoho

- Standard Chartered Bank has announced an affiliation with Zoho, a software products company.
- It intends to enhance banking services for the customers.

- As per the agreement, business account holders at Standard Chartered Bank can pay their suppliers either through cross-border payments or bank transfers from Zoho Books, Zoho's Cloud Accounting software.

## **Yes Bank Gets RBI Nod to Open Offices in London And Singapore**

- YES Bank, Private sector lender, has get permission from the Reserve Bank of India to open two international representative offices in London and Singapore as part of the bank's international expansion.
- It will further assist in diversification and expansion of financial services to the Non-Resident of India diaspora.
- YES Bank had opened its first overseas office in Abu Dhabi in 2015 part of its international expansion, followed by the debut of IFSC Banking Unit (IBU) at GIFT City, Gandhinagar in the same year.

## **IOB inks information utility pact with NeSL**

- On April 20, 2018, Indian Overseas Bank (IOB) entered into an agreement with National e-Governance Services Limited (NeSL) for utilizing its Information Utility Services under the Insolvency and Bankruptcy Code, 2016.
- As a result, the IOB branches will be able to provide high-quality, authenticated information about debts and defaults that will have more transparency in maintaining the list of borrowers, debtors, creditors and loan defaulters.

## **India's real GDP growth expected to expand at 7.4% in 2018-19: Urjit**

### **Patel**

- The Governor of Reserve Bank of India (RBI), Mr. Urjit Patel has stated that India's Gross Domestic Product (GDP) is expected to grow at 7.4% in 2018-19.
- In addition to the Gross fiscal deficit (GFD) of the Central Government is budgeted at 3.3 per cent in 2018-19.
- Also stated that Although the real GDP growth was moderated to 6.6 per cent from 7.1 per cent a year ago, there was a strong rebound in the second half of the year.

## Paytm Payments Bank registers 100M KYC wallets

- On 23rd April, Paytm Payments Bank broadcast that it now has over 100 million KYC wallets, against the constant campaigning about the benefits of the Know Your Customer (KYC) system.
- Also The Paytm Payments bank has introduced some options that include Paytm KYC centres, 'Paytm-Ka-ATM' outlets which offer more localised support along with the Customers can locate these through the 'Nearby' section on the Paytm app.

## BoI Inks Pact with NeSL to Share Data Under Insolvency Rules

- Bank of India (BoI) has entered into an agreement with National E-Governance Services (NeSL) for information utility (IU) under the Insolvency and Bankruptcy Code (IBC).
- It is an information network that procures and stores financial data like borrowings, default and security interests of various entities, also enables lenders for making decisions on credit transactions.

## India – World Bank sign \$125 million agreement for “Innovate in India for Inclusiveness Project

- India signed a loan agreement with World Bank for IBRD credit of \$125million for the “Innovate in India for Inclusiveness Project” for encouraging indigenous innovation, facilitate local product development and accelerate commercialization process in the sphere of affordable and innovative healthcare products.
- It would support public, private and the academic institutions to overcome the key market failures by bridging critical skill and infrastructure gaps.
- International Bank for Reconstruction and Development (IBRD) is a member institution of World Bank Group On April 24, 2018.

## Govt. of India and World Bank sign legal agreement on National Biopharma Mission

- Government of India signed a Legal Agreement with World Bank for flexible financing arrangements for National Biopharma Mission (NBM) to accelerate biopharmaceutical development.
- It is a \$250-million-dollar initiative which includes a \$125 million loan from the World Bank.
- This mission will be implemented by Biotechnology Industry Research Assistance Council (BIRAC), and Union Ministry of Science & Technology.

### **RBI liberalises ECB norms; more access to cheaper funds**

- On 27th April The Reserve Bank of India (RBI) has liberalised the norms for external commercial borrowing (ECB) by including more sectors in the window, to allow Indian companies to access cheaper funds from overseas markets.
- RBI informed that it has decided to increase the ECB Liability to Equity Ratio for ECB raised from direct foreign equity holder under the automatic route to 7:1.
- This ratio will not be applicable if total of all ECBs is up to USD 5 million or equivalent.
- Also it will allow Housing Finance Companies and port trust to avail ECBs under all tracks.

### **Fitch retains India's sovereign rating at 'BBB-' with 'stable' outlook**

- Global credit ratings agency, Fitch ratings has retained India's sovereign rating at BBB- with a stable outlook.
- It forecast India's growth at 7.3 per cent in current the fiscal and further to 7.5 per cent in 2019-20.
- A reduction in general government debt over the medium term to a level closer to that of rated peers and higher sustained investment and growth rates, such as from successful structural reform implementation, are the main factor which could trigger positive rating.