

BANKING AND FINANCIAL AWARENESS

FEBRUARY 2019 WEEK II

PALLAVAN GRAMA BANK AND PANDYAN GRAMA BANK MERGED TO FORM TN GRAMA BANK

- The consolidation will be effective from April 1, 2019.
- It has been conferred by Ministry of Finance under Regional Rural Banks Act 1976.
- Pallavan Grama Bank is sponsored by Indian Bank and Pandyan Grama Bank is sponsored by Indian Overseas Bank.
- The newly integrated bank will be sponsored by Indian Bank and will have its head office located at Salem, Tamil Nadu.

RBI PENALISED A TOTAL OF RS.5.2 CRORE ON AXIS BANK, UCO BANK AND SYNDICATE BANK FOR VIOLATION OF NORMS

- Axis and UCO Bank has been imposed with a Penalty of Rs.2 Crore each for their not committing with the norms related to payment through cheques.
- Axis Bank has also imposed a Penalty of 20 Lakhs for the detection and impounding of counterfeit notes.
- Syndicate Bank is imposed with a Penalty of Rs.1 Crore for contradicting the norms in Checking norms and Risk Management.

ASIAN DEVELOPMENT BANK BOUGHT 14% STAKE IN ANNAPURNA FINANCE

- ADB has bought a 14% stake in micro-financier Annapurna Finance for Rs 137 crore.
- ADB believes that India's microfinance sector is on course to attract long-term funds from global lenders and investors.
- The expansion of equity will help firm expand its loan portfolio in asset classes such as MSME and affordable housing, beyond its bread and butter finance.

6TH BI-MONTHLY MONETARY POLICY RELEASED BY RBI

- This is the first bi-monthly policy under Shaktikanta Das.
- It reduced 0.25 basis points in policy rates with immediate effects.
 - Repo Rate 6.25%
 - Reverse Repo Rate 6.00%
 - MSFR 6.50%
 - Bank Rate 6.50%
 - Cash Reserve Ratio 4%
 - SLR 19.25%

INDIAN BANKING ASSOCIATION HAS ISSUED ADVISORY TO WAIVE OFF VARIOUS CHARGES FOR KISAN CREDIT CARD

- IBA issued advisory to waive off the processing, documentation, inspections and all other service charges for KCC and crop loans up to 3 lakhs.
- There are 21 crore small and marginal farmers.

FINO PAYMENTS BANK PARTNERS WITH SURYODAY SFB TO OFFER SWEEP ACCOUNT FACILITY

- The partnership will help to address the issue of deposit limits that all the payment banks face at the moment.
- It would allow customers to seamlessly transfer the excess amount from their account in FPB to SSFB account.

RESERVE PENALIZED SBI FOR RS 1 CRORE

- RBI in the exercise of powers under section 47A of the Banking Regulation Act, 1949 has levied a penalty of Rs 1 crore on SBI.
- It has been levied for not monitoring the end use of funds in respect of one of its borrowers.

