
BANKING AND FINANCIAL AWARENESS

APRIL 2020: WEEK IV

RBI 3-MONTH EMI MORATORIUM TO PROVIDE RS 2.1 LAKH CRORE LIQUIDITY TO CORPORATES

- The Reserve Bank of India has announced a moratorium, in which the bank will provide Rs 2.1 lakh crore liquidity to the corporate sectors who are ready to avail the offer.
- "The moratorium announced by RBI on interest and principal obligations due between March 1 and May 31, 2020, would tantamount to a liquidity breather of Rs 2.10 lakh crore if all companies opt for it," the Crisil rating agency said in a report. The findings by Crisil Ratings are based on an assessment of 9,300 of its rated non-financial sector companies across 100 sectors.

ICICI BANK LAUNCHED VOICE BANKING SERVICES

- ICICI (Industrial Credit and Investment Corporation of India) Bank has started a voice banking services on Amazon Alexa and Google Assistant for its customers.
- The voice banking service of ICICI bank enables customers to #BankWith their voice and to get avail with banking services like checking account balance, perform transactions, check credit card due date ask queries about the Bank's products and services.

RBI ALLOWS BANKS TO ISSUE ELECTRONIC CARDS FOR OVERDRAFT ACCOUNTS

- The Reserve Bank of India has granted permission to all banks to issue electronic cards to natural persons having Overdraft Accounts that are only in the nature of personal loan without any specific end-use restrictions.
- However, RBI has put the limit that the card should be issued for a period not exceeding the validity of the facility and should also be subject to the usual rights of the banks as lenders.
- This will allow the user to use it for domestic transactions only.

SRI LANKA TO GET \$400 MILLION DEBT FACILITY FROM RBI

- Sri Lanka signs an agreement with Reserve Bank of India for a Bilateral Currency Swap Arrangement worth \$400 million.
- The Cabinet has approved a proposal made by Prime Minister Mahinda Rajapaksa as the Finance Minister to enter into an agreement with the RBI for the financing facility to meet short-term international liquidity requirements.

RS 50,000 CRORE LIQUIDITY FOR MUTUAL FUNDS BY RBI

- Reserve Bank of India has come up with an announcement to provide easiness to liquidity pressures on mutual funds (MFs) by granting Rs. 50,000 crore Special Liquidity Facility (SLF) for mutual funds.
- Under this scheme, the RBI will conduct repo operations of 90 days tenor at the fixed repo rate.

INDIAN OVERSEAS BANK LAUNCHED SPECIAL BORROWING SCHEME FOR SHGS

- Indian Overseas Bank (IOB) introduced a special borrowing scheme for self-help groups to help them tide over the challenges inflicted by COVID-19.
- In this scheme, each member of SHG will be able to avail a loan of Rs 5000/- with a cap of Rs 1 lakh for the group.
- Also, a SHG with a good track record and a history of minimum two loans from IOB will be eligible for this loan facility, which can be availed till June 30, 2020.

AXIS BANK TO ACQUIRE 29% STAKE IN MAX LIFE INSURANCE

- Axis bank is set to acquire an additional 29% stake in Max Life Insurance with an estimated price of Rs 1,592 crore.
- After this additional acquisition, the deal will increase the Axis Bank's stakes in Max Life Insurance to 30%. Max Financial Services will hold the remaining 70 percent in the joint venture.

RBI EXTENDED RESTRICTIONS IMPOSED ON MUMBAI BASED COOP BANKS

- Reserve Bank of India extended restrictions imposed on Mumbai based Co-operative banks for 6 months that is till 31st October 2020.
- The Reserve Bank in October 2018 had barred the bank from granting or renewing any loan for six months and later extended the curbs twice.