
BANKING AND FINANCIAL AWARENESS

DECEMBER 2019: WEEK II

ICAR AND NABARD SIGNS AN MOU

- The Indian Council of Agricultural Research (ICAR) has signed an MoU with the National Board of Agriculture and Rural Development (NABARD) to make the action research and up-scaling of the various technologies and innovative farmer models easier.
- The MoU was signed in New Delhi between the Secretary (DARE) & Director General (ICAR) Dr. Trilochan Mohapatra and the Chairman of NABARD, Harsh Kumar Bhanwala.
- The MoU is basically aimed at taking up site-specific transfer of technologies under integrated farming system, sustainable agriculture, agro-forestry, animal sciences, etc., including post-harvest technologies.

RBI PROVIDES INTRADAY LIQUIDITY WINDOW FOR NEFT

- The Reserve Bank of India has announced to provide an intraday liquidity (IDL) window or facility for the National Electronic Funds Transfer (NEFT) transactions.
- This facility will help in the smooth operation of NEFT system on 24x7 basis.
- All the banks will be eligible for this facility. However, the time limit for such a facility will be set by the RBI from time to time.
- This liquidity adjustment facility will be beneficial for settlement purposes and will also reduce the pressure of the banks.

'BHARAT BOND ETF', INDIA'S FIRST CORPORATE BOND LAUNCHED

- Edelweiss Asset Management Company (AMC) has launched the 1st Corporate Bond Exchange Trade Fund (ETF) of India. It is called as the Bharat Bond ETF.
- Edelweiss AMC is a subsidiary of Edelweiss Capital Limited (ECL).
- Edelweiss said that it aims to raise an initial amount of Rs 3,000 crore through this bond from institutional players with a greenshoe option of Rs 2,000 crore in a maturity period of 3-year (2023).
- It also aims to raise amount of Rs 4,000 crore with a greenshoe option of Rs 6,000 crore in a maturity period of 10-year (2030).

MASTERCARD SIGNS AN MOU WITH FEDERAL BANK FOR ADDITIONAL DIGITAL SECURITY CALLED 'MASTERCARD IDENTITY CHECK'

- American multinational financial services corporation Mastercard has tied-up with private sector Federal bank to provide an additional layer of security function for digital transactions done by cardholders of the bank. This facility is called 'Mastercard Identity Check'.
- This new security function will be provided by using EMV 3-D Secure (3DS). This security function will provide an easy and safe way to authenticate cardholders without using passwords.

- EMV 3-D Secure is a messaging protocol that will promote easy consumer authentication and will allow the consumers to authenticate themselves with their card issuer while making purchases without card or card-not-present (CNP) e-commerce purchases.

MOODY'S LOWERS INDIA'S GDP GROWTH FORECAST TO 5.6% FOR 2019

- American credit rating agency, Moody's Investors Service has lowered the Gross Domestic Product (GDP) growth forecast of India for the year 2019 to 5.6%.
- This is very less from the growth forecast of 7.4% in 2018.
- This forecast has been done in the Global Macro Outlook 2020-21 of Moody's.
- The major cause of lowering the growth forecast is the slow growth rate of employment.
- Moody's has also projected that India's GDP growth may improve later and become 6.6 % and 6.7 % in 2020 and 2021 respectively.

ADB LOWERS INDIA'S GDP GROWTH FORECAST FOR FY20

- Asian Development Bank (ADB) has lowered the Gross Domestic Product (GDP) growth forecast of India for the financial year 2019-20 to 5.1% from 6.5% projected earlier.
- ADB projected earlier in September 2019 that India's GDP growth will be 6.5% in 2019-20 and 7.2% in 2020-21.

MORE THAN 10 LAKH CRORE LOANS SANCTIONED UNDER MUDRA YOJANA

- The ministry of Labour and Employment released an information regarding loans sanctioned under MUDRA Yojana.
- According to the ministry, loans of an amount of Rs. 10.24 lakh crore have been sanctioned under the Pradhan Mantri MUDRA Yojana (PMMY) as on November 1, 2019.
- Also, these loans were sanctioned to 20.84 crore account holders.
- MUDRA Yojana was by the Prime Minister Narendra Modi on April 8, 2015.

NATIONAL SMALL INDUSTRIES CORPORATION (NSIC) SIGNS AN MOU WITH SUADI ARAMCO

- National Small Industries Corporation (NSIC) has signed an MoU with Saudi Aramco (Asia) for the development of Micro, Small and Medium Enterprises (MSME) in India in the Oil & Gas Sector.
- The MoU will help the Indian MSMEs to make place as vendors in the Global space.
- NSIC is a Mini Ratna PSU that works under the Ministry of MSME.
- Saudi Aramco is a Saudi Arabian national petroleum and natural gas company.

NTPC SIGNS RS 5,000-CRORE TERM LOAN AGREEMENT WITH SBI

- National Thermal Power Corporation Limited has signed a term loan agreement for Rs. 5,000 crore with State Bank of India.
- This loan facility by SBI has been extended at an interest rate linked to 3-month MCLR (Marginal Cost of Funds based Lending Rate) of the bank.
- Additionally, the loan facility has a door-to-door tenure of 15 years.

EXIM BANK PROVIDES USD 500 MN CREDIT TO BANGLADESH

- Export-Import Bank of India (Exim Bank) has provided a Line of Credit of \$500 million (Rs 3561 crore) to Bangladesh for defence-related procurement.
- The agreement was signed with Bangladesh's Armed Forces Division.
- Under the loan agreement, financing of export of eligible goods and services from India would be allowed subject to the Foreign Trade Policy (FTP).

