
BANKING AND FINANCIAL AWARENESS JUNE 2020: WEEK IV

RBI EXTENDS RS 50,000 CRORE LIQUIDITY WINDOW BY 3 MONTHS TO YES BANK

- The Reserve Bank of India has extended a special liquidity window of Rs 50,000 crore by another three months to the private sector Yes bank.
- Therefore, now the Yes Bank can access Rs 50,000 crore liquidity window if the outflow of deposits exceeds the accretion of fresh deposits.
- Initially, Yes Bank was provided with special liquidity window in the month of March for three months, which ended in June.

'KBL MICRO MITRA' FOR MSMES—BY KARNATAKA BANK

- A new financial support product for Micro Small and Medium Enterprises (MSME) has been launched by Karnataka Bank.
- The product is named as 'KBL Micro Mitra'.
- KBL Micro Mitra offers the financial assistance and support of Rs 10 lakhs to micro manufacturing service enterprises as working capital support or investment purpose support with simplified procedure and competitive interest rates.

GLOBAL MACRO OUTLOOK 2020-21 RELEASED BY MOODY'S INVESTOR SERVICE

- Moody's Investor Service has released Global Macro Outlook 2020-21.
- As per this latest report for the month of June, the rating agency has projected India's GDP to shrink at 3.1% for the financial year of 2020.
- However, the rating agency has projected to grow to be at 6.9% for the financial year 2021.

ALL CO-OPERATIVE BANKS UNDER RBI SUPERVISION

- Government of India has taken the decision to bring an ordinance to put all cooperative banks under the supervision of the Reserve Bank of India.
- The decision was announced by the Union Minister Prakash Javadekar.
- As per this decision 1482, urban cooperative banks and 58 multi-state cooperative banks will come under the supervisory control of Reserve Bank of India.

WORLD'S FIRST GOLD-BACKED DIGITAL GOLD CURRENCY IN INDIA

- IBMC Financial Professionals Group, which is an international financial service institution and business consultancy has partnered with US Gold Currency Inc and Blockfills in order to launch the world's first monetary gold-backed US Gold digital currency.
- The gold-backed US Gold digital currency is launched for the first time in the world in India, Gulf Corporation Council (GCC), the Middle East and Africa.
- Each US Gold digital currency is backed by a US American Eagle one ounce (33.931 gram) gold coin, minted by the US Federal Agency, US Mint.

INTRODUCTION OF NEW FLOATING RATE SAVING BONDS 2020

- The Government of India has introduced new Floating Rate Saving Bonds (FRSB), which is a taxable scheme in place of 7.75% Saving (Taxable) Bonds 2018.
- The initial 7.75% saving (Taxable) Bonds 2018 were ceased for subscription from the close of banking business recently.
- The FRSB Scheme is going to issue a floating rate, taxable saving bonds for an initial coupon of 7.15% payable on 1st Jan 2021.

'SWAVALAMBAN CRISIS RESPONSIVE FUND'—BY SIDBI

- The 'Swavalamban Crisis Responsive Fund' (SCRF) is set-up by the Small Industries Development Bank of India (SIDBI).
- It is an open-ended fund to provide the facility of free onboarding of MSME on Trade Receivables Discounting System (TReDS) platform.
- This SCRF comes under Swavalamban Resource Facility which is developed in partnership between SIDBI and DIFD (Department of International Development), United Kingdom.

PROMULGATION OF BANKING REGULATION AMENDMENT ORDINANCE 2020

- President of India, Shri Ram Nath Kovind promulgated Banking Regulation Amendment Ordinance 2020.
- This step is taken to ensure safety of depositors from all banks by improving governance and oversights.
- The ordinance will amend the Banking Regulation Act 1949 as applicable to Cooperative Banks.

WORLD BANK APPROVES LOAN FOR STARS PROJECT

- The International Financial Body, World Bank has approved a loan for India to build STARS Project.
- A loan of \$500 million i.e. to about Rs 3700 crore has been sanctioned by the World Bank.

- The STARS is basically an Education upliftment project which stands for ‘Strengthening Teaching-Learning and Results for State Program’.

