
BANKING AND FINANCIAL AWARENESS MAY 2018: 4TH WEEK

RESERVE BANK OF INDIA SLAPS ₹ 5 CR. FINE ON SOUTH INDIAN BANK

- The Reserve Bank of India (RBI) has imposed a penalty of Rs5 crore on South Indian Bank (SIB)
- Due to the non-compliance with its directions on Income Recognition and Asset Classification (IRAC) norms, Know Your Customer (KYC) norms and treasury function this penalty was levied.
- This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949 taking into account failure of the bank to adhere to the aforesaid directions issued by RBI
- Salim Gangadharan is the Chairman of South Indian Bank.
- SIB headquarters in Thrissur, Kerala.

WORLD BANK EXTENDS \$300 MN CREDIT TO SCALE UP ENERGY EFFICIENCY PROGRAM

- The International Bank for Reconstruction and Development (IBRD) arm of The World Bank approved a \$220 million (Rs 1,496 crore) loan and an \$80 million (Rs 544 crore) total 300 mn credit guarantee for the India Energy Efficiency Scale-Up Program, implemented by the Energy Efficiency Services Limited (EESL).
- It will help scale up the deployment of energy saving measures in residential and public sectors, strengthen EESL's institutional capacity, and its access to commercial financing also it helps to increase private sector participation in energy efficiency.
- India's climate change commitments to reduce carbon intensity by 33-35 per cent by 2030 from 2005.
- EESL will deploy 219 million LED bulbs and tube lights, 5.8 million ceiling fans, and 7.2 million street lights, which will be supplied by private sector manufacturers and suppliers.
- through the "Unnat Jyoti by Affordable LEDs for All" (UJALA) program, EESL has deployed more than 295 million LED bulbs till now.

BANK OF BARODA LOCATES MAJOR OPERATIONS AT GIFT CITY

- On 20th May, Bank of Baroda has successfully located at the GIFT City near Ahmedabad.
- the bank will now offer its services including retail loan processing, deposit account opening, forex and call centre from the shared service centre (SSC).
- It will have a staff strength of 200, and thus become one of the largest employers in the Ahmedabad-Gandhinagar region.

BOB, CDSL SIGN AGREEMENT

- Bank of Baroda has signed an agreement with CDSL Commodity Repository (CCRL), on 22nd May.

- Thus it become the first repository participant for pledge finance under the repository ecosystem for registered / accredited warehouses.
- It will boost confidence among bankers and other stakeholders like depositors and warehouse service providers and provide various features / benefits to its stakeholders.
- Central Depository Services (India) Ltd (CDSL) headquarters – Mumbai.

HDFC BANK WILL NOW OFFER DIGITAL LOANS AGAINST YOUR MUTUAL FUNDS

- On 23rd May HDFC Bank has launched Digital Loans against Mutual Funds in partnership with transfer agent CAMS.
- Now customers can pledge mutual fund assets online and get overdraft limit set in their account in under 3 minutes, Customers retain mutual fund portfolio without liquidation also First-time borrowers without credit history can also access loans.
- The bank has a tie-up with 10 mutual companies against whose policies loans
- The ticket size of the loans will range from Rs 1 lakh to Rs 1 crore at an interest rate of 10.5 -11% also has a mutual fund loan portfolio of Rs 10,000 crore.

SIDBI INKS AGREEMENT WITH CSC TO EXTEND DIRECT FUNDING FACILITY FOR VLES

- On 24th May, Small Industries Development Bank of India (SIDBI) has inked a MOU with Common Service Centres (CSC) to offer financial support.
- It ensures easy credit to village level entrepreneurs (VLEs) and promote the spread of Digital India.
- Through this SIDBI will extend financial support to the Village Level Entrepreneurs (VLEs) of Common Services Centres, with minimum one year of operation.
- CSC SPV will approve the list of VLEs, within 25 km distance of SIDBI Branch Offices.
- The VLEs need to submit their CSC project, with a maximum project outlay of Rs. 3.50 lakh and term loan requirement not exceeding Rs. 2 lakhs per project to avail the loan.
- Small Industries Development Bank of India headquartered at Lucknow.

SBI REPORTS LOSS OF RS. 7,718 CRORE IN MARCH QUARTER

- According to Thomson Reuters data, State Bank of India (SBI), the country's biggest lender, reported a loss of Rs. 7,718 crores in the January-March quarter, due to higher provisions for bad loans. The loss for the three months to March 31 was deeper than expected Rs. 1,285 crores on average.
- This loss is the highest quarterly loss after Punjab National Bank's Rs 13,417 crore loss.
- SBI Chairman- Rajnish Kumar, Headquarters- Mumbai.