
BANKING AND FINANCIAL AWARENESS OCTOBER 2019: WEEK II

RESERVE BANK OF INDIA HAS GIVEN THE FINAL NOD FOR THE SETTING UP OF KERALA BANK

- It will be the largest banking network in Kerala.
- Kerala Bank will be formed by amalgamating 13 District Co-operative Banks (DCBs) with Kerala State Co-operative Bank.
- As per the directions of RBI, State should submit the final compliance report by 31st March, 2020.

STATE BANK OF INDIA HAS DECIDED TO CHARGE PROCESSING FEE ON HOME-LOANS, TOP-UP PLANS AND REAL- ESTATE COMPANY LOANS

- The processing fee will be around 0.4% ranging from Rs.10000 to Rs.30000 for individual borrowers.
- Processing charge for builders and real-estate companies will be Rs.5000.

GOVERNMENT E-MARKETPLACE (GEM) HAS SIGNED A MOU WITH UNION BANK OF INDIA FOR PROVIDING SERVICES RELATED TO TRANSFER OF FUNDS

- It will facilitate cashless and paperless payment on the portal.
- It will also promote transparency in procurement of Goods and services.

STATE BANK OF INDIA HAS REDUCED THE SAVINGS INTEREST RATES BY 25 BASIS POINTS

- It has now been reduced from 3.5% to 3.25% for deposits upto Rs.1lakh.
- SBI has taken this step to boost adequate liquidity in the banking.
- The new rates will be effective from 10th October, 2019.

CONFERENCE ON ONE NATION ONE TAG-FASTAG WAS HELD IN NEW DELHI

- Purpose-To roll out the process for having an unified electronic system across the country.
- A MoU has been signed between Indian Highways Management Company Ltd. And Goods and Services tag Network (GSTN) for the integration of FASTag with GST e-way bill system.
- It was inaugurated by Union Minister of Roads and Transport-Nitin Gadkari.

INDIA'S RATINGS AND RESEARCH GROUP HAS LOWERED INDIA'S GDP FORECAST FOR FINANCIAL YEAR-2019-20 TO 6.1%

- GDP forecast was 6.9% in August,2019.
- Slowdown in rural and urban consumption demand growth has been cited as the key reason for this downward revision of GDP forecast.

UNION GOVERNMENT HAS APPROVED 5% ADDITIONAL DEARNESS ALLOWANCE FOR THE CENTRAL GOVERNMENT EMPLOYEES

- Currently the dearness allowance is 12% of the basic pay which will be now increased to 17% of the basic pay.
- Similarly, it has also been increased by 5% for the Central Government pensioners.

GOVERNMENT OF INDIA HAS LAUNCHED NATIONAL E-ASSESSMENT SCHEME

- The purpose of this scheme is to make income tax assessment faster, smoother and hassle-free.
- It focuses on the elimination of any middle-men between the tax-payer and the Income tax officer.
- The regional e-Assessment centers will be established in six cities-Chennai, Mumbai, Kolkata, Pune, Ahmedabad and Hyderabad.

THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) HAS BROUGHT A NEW RULE TO IMPACT FOREIGN FUNDS

- The new rule implies that only Foreign Portfolio investors (FPIs) located at Financial Action Task Force (FATF) countries can deal in participatory notes to invest in Indian stock markets.
- Participatory notes are financial instruments which allow the investors to invest in Indian stock markets even if they are not registered with SEBI.

- This new rule is based on the H R Khan committee recommendation.
- Increased inflation, Trade war between India and China and rising prices of crude oil are some of the reasons behind the imposition of this rule.

