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07 **RBI asks banks not to levy penalty for not maintaining minimum balance**

May **Bank Specific > RBI**

The Reserve Bank of India has asked banks not to levy penalty on customers if they don't maintain the minimum balance in any inoperative account as a customer protection measure. Instead of levying penalty, RBI said that the bank should provide only basic savings bank deposit services on such accounts and restore full services only once the balance reaches the minimum required amount. Several banks, including the State Bank of India, do not levy any charge if the minimum balance is not maintained in an inoperative savings account. For operative accounts, customers of ICICI Bank and HDFC Bank are charged Rs 750 per quarter if they don't maintain a minimum average quarterly balance of Rs 10,000 in urban centres and Rs 5,000 in semi-urban areas.

07 **President launches RuPay, India's first indigenous card-payment network**

May **India > RuPay**

President Pranab Mukherjee on Thursday launched RuPay, India's first indigenous card-payment network. RuPay is the coinage of two terms Rupee and Payment. RuPay is developed by the National Payments Corporation of India (NPCI), a not-for-profit company envisioned by the Reserve Bank of India (RBI) and created by the banking industry. RuPay cards are accepted at all ATMs, more than 90 percent of 'Point of Sale' (POS) terminals and more than 10,000 e-commerce merchants across the country. RuPay Scheme provides flexibility to card issuing banks to issue special purpose cards like Kisan Cards, Milk Procurement Cards, Grain Procurement Cards and Financial Inclusion Cards. More than 150 cooperative banks and the Regional Rural Banks (RRBs) in the country have issued RuPay ATM cards. The total number of cards issued as on date is 17 Million and is growing at a rate of about three million per month. The President said that with the launch of RuPay, India has become one of the few countries in the world that has such a network built domestically to meet the card-based payment system needs of the country.

12 **Uttarakhand to implement national food security scheme**

May **India > National Food Security Scheme**

Uttarakhand Chief Minister Harish Rawat issued orders for completion of all formalities related to the effective implementation of the National Food Security scheme in the state from June 30. Arrangements should be made for storage of adequate foodgrains in the hills to ensure that villages on the Char Dham Yatra route do not suffer from shortage of food during the monsoon, he said.

Claiming that the national food security scheme would benefit 61.94 lakh people of the State, Rawat said those not covered under the ambit of the scheme would get foodgrains under the State foodgrains scheme.

13 **Lt Gen Dalbir Singh set to be next Army Chief**

May **India > New Army Chief**

The Defence Ministry has decided to go ahead with the process of appointing the next Army Chief as it recommended the name of Vice Chief of Army Staff Lt Gen Dalbir Singh Suhag for the top post. The Defence Ministry sent its recommendation to the Appointments Committee of Cabinet (ACC) shortly after receiving the go-ahead from the Election Commission to which the matter had been referred in view of the Model Code of Conduct.

A third-generation soldier, Dalbir Singh will succeed General Bikram Singh who is retiring on July 31.

## Others

### 07 May Minors above 10 years can operate accounts and ATMs: RBI

**India > RBI**

The Reserve Bank of India has allowed minors above 10 years of age to open and operate savings bank accounts independently and also use facilities like ATM and cheque books. The RBI said that the bank may fix limits in terms of age and amount up to which minors may be allowed to operate the deposit accounts independently.

The central bank had earlier permitted minors to open fixed and savings deposit bank account with mothers as guardian. Modifying the guidelines, the RBI said that all minors can now open a savings, fixed and recurring bank deposit account through either his/her natural guardian or legally appointed guardian. The RBI notification has omitted the condition “mother as guardian”.

### 07 May Tata Communications, Orange International Carriers sign IPX peering agreement

**Corporate > Tata - Orange**

Tata Communications and Orange International Carriers have announced an IP-Exchange (IPX) peering agreement for voice and Signalling Sigtran. By tapping into both Tata Communications’ and Orange’s worldwide networks, mobile operators deploying innovative broadband services such as HD voice will gain a global reach. The peering agreement enables faster connections and the best quality for voice over IP by enabling direct connectivity.

### 07 May Don’t levy pre-payment fee on floating loans: RBI to banks

**Banking > Floating Loans**

The Reserve Bank of India (RBI) said banks cannot levy charges on individual customers if they choose to close their floating rate loans. The RBI measure is applicable only for individual borrowers, indicating that the same benefit is not applicable for corporate clients. Some banks charge a fee if an individual borrower chooses to close his or her loan. This fee varies from bank to bank, and is mostly in the range of 1-3%. Two years ago, the RBI had barred banks from levying foreclosure charges or pre-payment penalties on home loans on floating interest rate basis.

Floating rate loans are popular in auto, personal and home loan segments.

### 07 May SC upholds constitutional validity of Right to Education (RTE) Act

**India > Right to Education**

The Supreme Court (SC) on Tuesday upheld the constitutional validity of Articles 15(5) and 21-A of the Constitution in so far as it relates to unaided educational institutions to provide compulsory education for children in the age group of 6 to 14 years. A five-judge Constitution Bench also upheld the provisions of the Right of Children to Free and Compulsory Education Act, 2009, and the Right of Children to Free and Compulsory Education Rules, 2010. Clause 5 in Article 15 was inserted in 2005 by the 93rd Constitutional

Amendment Act which imposed obligations on the schools, which included privately-managed unaided educational institutions to admit at least 25% students from weaker sections. A three-judge Bench upheld the constitutional validity of this Act. On a reference that the matter ought to have been decided by a Constitution Bench, it was heard by a five-judge Bench. The SC bench said that the minority aided educational institutions could not be compelled to provide free and compulsory education to children belonging to weaker sections. To this extent the Bench overruled the three judges' decision upholding the RTE law.

08  
May

## Indian Aviation Academy (IAA) receives International Arch of Europe Award 2014

**Awards** > *International Arch of Europe*

Indian Aviation Academy (IAA) has been selected this year by the Business Initiative Directives Group (BIDG), Madrid (Spain) for the International Arch of Europe Award for quality and technology in Gold Category. The award was received by Rajiv Goel, Director, IAA from Jose E. Prieto, President & CEO, BID Group at a function held in Frankfurt, Germany. Later, the award was presented to Alok Sinha, Chairman, Airports Authority of India.

The Academy has been set up for training and development by pooling resources of the three mainstay organizations of civil aviation namely, Airports Authority of India, Directorate General of Civil Aviation and Bureau of Civil Aviation Security. It conducts training in airport management, maintenance, airport safety and regulations, HR discipline, etc.

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May

## IndusInd Bank Cybercity Rapid Metro Station inaugurated in Gurgaon

**Bank Specific** > *IndusInd Bank*

IndusInd Bank and Rapid Metro Gurgaon Limited (RMGL) inaugurated the IndusInd Bank Cybercity Rapid Metro Station. This is the first and the only metro station in India which has been named and branded by a bank, thus making it an excellent example of transit mode of advertising in India. The Bank and RMGL have inked a 5 year contract for naming rights of the metro station.

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May

## United Spirits to sell Whyte & Mackay unit to Emperador

**Corporate** > *United Spirits - Emperador*

United Spirits Ltd, owned by the world's biggest distiller Diageo, agreed to sell its Whyte & Mackay spirits business to Philippines-based brandy maker Emperador Inc. for \$726 million (Rs 4,358 crore). Diageo, the world's biggest distiller, acquired Whyte & Mackay last year when it purchased a controlling interest in W&M's Indian parent, United Spirits.

Emperador, a unit of Alliance Global Group Inc., is the world's largest maker of brandy. Alliance Global also has interests in property development, food and gaming.

United Spirits bought Whyte & Mackay for 595 mn pounds in 2007.

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May

## Publicis and Omnicom call off merger

**Corporate** > *Publicis-Omnicom*

Two of the world's biggest advertising firms, Publicis and Omnicom, have scrapped their planned merger. The merger, announced last year, would have created the world's biggest ad firm worth \$35.1bn (£22.8bn). The

firms said that they called off the merger as there were challenges that remained to be overcome and the slow pace of progress was creating uncertainty that would be "detrimental" to both of them.

## 11 Manchester City wins English Premier League title

May **Sports > English Premier League**

Manchester City won the second English Premier League title by defeating West Ham 2-0 in the Manchester's Etihad Stadium. This is their second Premier League title in three seasons. The two goals were scored by Samir Nasri and skipper Vincent Kompany. Manchester City had also won the League Cup earlier in the year.

## 11 Kerala to launch its first digital panchayat

May **India > First Digital Panchayat**

Pampakuda in Ernakulam district is going to be the first 'digital panchayat' in Kerala next month by building a database of all residents. The digital database includes the personal details of all residents, such as occupation, educational level, bank account number, Aadhaar number, blood group, phone number, the availability of drinking water among other things. Large number of student volunteers visited every home within the panchayat area to record the details of family members. The database will help in implementing development plans in the area.

## 12 India-born Hinduja brothers top list of richest persons in the UK

May **World > UK's Richest**

The India-born Hinduja brothers have topped the list of the richest persons living in the UK, with an estimated fortune of 11.9 billion pounds. Gopichand and Srichand Hinduja, who run the multinational Hinduja Group conglomerate with interests across automotive, real estate and oil, beat steel tycoon Lakshmi N Mittal and Russian magnate Alisher Usmanov to top the UK's billionaire chart this year. Prakash Lohia, Lord Swraj Paul and family, Anil Agarwal and Ajay Kalsi and family are among the city's 72 billionaires. The number of billionaires living in the UK has risen to 104, more than 100 for the first time, according to the 2014 Sunday Times Rich List. The list also revealed that London has more billionaires than any other city in the world.

## 12 Sharapova, Nadal win Madrid titles

May **Sports > Tennis**

Rafael Nadal won his fourth Madrid Open title after Kei Nishikori was forced to withdraw with a back injury when trailing 2-6, 6-4, 3-0 in the final. Earlier, Maria Sharapova bounced back from a poor start to defeat Simona Halep 1-6, 6-2, 6-3 to win the women's title.

Nadal became the first repeat winner in Madrid, and recovered from two recent quarter-final losses on clay to win his second title on the surface and third overall this year.

## 13 UN appoints first woman commander to head UN peacekeeping force

May **World > UN's First Lady Commander**

The UN has appointed Norwegian Maj. Gen. Kristin Lund as the first woman to command a United Nations peacekeeping force. Kristin Lund will replace Chinese Maj. Gen. Chao Liu on August 13 as commander of about 1,000 UN peacekeepers in Cyprus. Lund, 55, joined the Norwegian army in 1979 and went on her first overseas mission in 1986 as transport officer with the UN peacekeeping mission in Lebanon. Lund had previously served

in Lebanon, the first Gulf War, Bosnia and Afghanistan. Lund said that she was happy to become the first woman to achieve the feat. Her new job will require maintaining the cease-fire in Cyprus and supporting efforts to deal with minefields, unaccounted people, and property disputes, among many issues.