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# GK Digest November

By Ramandeep Singh

Ramandeep Singh  
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## Politics

### National Events

**2 Nov.** On 02<sup>nd</sup> November 2014, Prime Minister of India Shri Narendra Modi addressed the country on All India Radio (AIR) for the 2<sup>nd</sup> time. First time, he addressed the country on 2<sup>nd</sup> October 2014.

**3 Nov.** On 03<sup>rd</sup> November 2014, Indian Navy commemorated 1000<sup>th</sup> Anniversary of coronation of Ancient King Rajendra Chola. He was the Tamil King and from the Chola Empire.

**4 Nov.** The Union Cabinet approved the dissolution of Delhi Legislative Assembly. With this approval, it makes sure that fresh assembly elections will be held in Delhi.

**4 Nov.** The Department of Posts and Union Ministry of Communications and IT released the commemorative postage stamp on Liver Transplantation in India.

**5 Nov.** In India, Mumbai recorded as the largest users of Internet in the year 2014.

**5 Nov.** Etela Rajendra, Finance Minister of newly formed state of India i.e. Telangana, presented its first Budget in the Assembly.

**7 Nov.** Ashtamudi Lake in the State of Kerala got the recognition of first Marine Stewardship Council certified fishery of India.

**7 Nov.** On 07<sup>th</sup> November 2014, AutoLinxSM, India's first automatic train which is especially designed for transportation of finished cars, flagged off by the Union Rail Minister Shri D.V. Sadananda Gowda.

**9 Nov.** Prime Minister Narendra Modi adopted Village Jayapur in District Varanasi under Saansad Adarsh Gram Yojana.

**9 Nov.** Total 21 ministers were inducted in the New Cabinet of Prime Minister Shri Narendra Modi with 4 Cabinet Ministers. The remaining became Ministers of State. Four Cabinet Ministers are:

- Manohar Parrikar, Chief Minister of Goa
- Suresh Prabhu

- Birendra Singh
- J.P. Nadda

Manohar Parrikar: Defence Minister  
Suresh Prabhu: Rail Minister  
J.P. Nadda: Health and Family Welfare Minister  
Birendra Singh: Panchayati Raj and Drinking Water and Sanitation Minister

**9 Nov.** Laxmikant Parsekar became the Chief Minister of Goa replaced by Manohar Parrikar, who became Cabinet Minister on 09<sup>th</sup> November 2014. He became 11<sup>th</sup> Chief Minister of the State.

**12 Nov.** The State of Kerala became the first State of India to have bank accounts for all families under Pradhan Mantri Jan Dhan Yojana launched recently by the Government of India.

**12 Nov.** Shiv Sena gave the vote against the Bhatiya Janta Party in Assembly of Maharashtra. Haribhau Bagde of Bhartiya Janta Party to be elected as the Speaker of Maharashtra Assembly because the candidates of Shiv Sena and Congress withdrew their candidature from the post of Speaker.

**12 Nov.** The Government of Maharashtra won trust vote in the Legislative Assembly of Maharashtra. Haribhau Bagde became the Speaker of Legislative Assembly of Maharashtra.

**14 Nov.** National Bal Swachhta Mission and Udaan programme for girls launched by the Government of India on the eve of Children's Day i.e. 14<sup>th</sup> November 2014.

**15 Nov.** Goa, Kerala along with three UTs namely Chandigarh, Puducherry and Lakshadweep achieved 100% financial inclusion under Pradhan Mantri Jan Dhan Yojana.

**16 Nov.** Sachin Tendulkar adopted the village namely 'Puttamaraju Kandriga' under the Sansad Adarsh Gram Yojana launched recently by the Government of India. Sachin Tendulkar is a Rajya Sabha member.

**18 Nov.** Kisav Vikas Patra scheme re-launched by the Government of India on 18<sup>th</sup> November 2014 to encourage the small amount savings. Earlier, the scheme launched on 01<sup>st</sup> April 1988.

**20 Nov.** First case of Ebola Virus founded in India. One 26 years old Indian who returns from Liberia has kept the Ebola Virus Disease at IGI Airport, New Delhi.

**21 Nov.** Barack Obama, President of United States of America will be the Chief Guest of Republic Day celebrations on 26<sup>th</sup> January 2015. It announced on 21<sup>st</sup> November 2014. He will be the first President of USA who will attend the ceremony of Republic Day celebrations of India.

**23 Nov.** MLA Adarsh Gram Yojana launched by Chief Minister of Gujarat Anandiben Patel on 23<sup>rd</sup> November 2014. The State of Gujarat became first State to initiate the MLA Adarsh Gram Yojana.

**25 Nov.** On 25<sup>th</sup> November 2014, the State Government of Haryana reduced the retirement age of government employees from 60 years to 58 years.

**25 Nov.** On 25<sup>th</sup> November 2014, Swachh Bharat Kosh Operational Guidelines announced by the Government of India to achieve the objectives of Swachh Bharat Mission.

**25 Nov.** On 25<sup>th</sup> November 2014, Namsai became the 18<sup>th</sup> District of Arunachal Pradesh. The Chief Minister of Arunachal Pradesh is Nabam Tuki.

**26 Nov.** On 26<sup>th</sup> November 2014, The Dairy Sector of India decided to celebrate 26<sup>th</sup> November every year as National Milk Day. 26<sup>th</sup> November is birth date of Dr. Verghese Kurien, Father of White Revolution.

**26 Nov.** Delhi Special Police Establishment (Amendment) Bill, 2014 passed in Lok Sabha on 26<sup>th</sup> November 2014.

**26 Nov.** Central University Amendment Bill 2014 passed in the Lok Sabha on 26<sup>th</sup> November 2014.

**27 Nov.** Apprentices (Amendment) Bill, 2014 passed in Rajya Sabha on 27<sup>th</sup> November 2014. Earlier, the Bill was passed by Lok Sabha on 07<sup>th</sup> August 2014.

**27 Nov.** Constitution (Scheduled Castes) Orders Amendment Bill, 2014 passed in Lok Sabha on 27<sup>th</sup> November 2014. The four states mentioned in the Bill are:

- Kerala
- Madhya Pradesh
- Odisha
- Tripura

## Agreements

**2 Nov.** India signed an agreement with Bhutan to develop Nalanda University in the State of Bihar, India.

**18 Nov.** On 18<sup>th</sup> November 2014, five agreements signed between India and Australia during the visit of Prime Minister of India Shri Narendra Modi to Australia. Five agreements are:

- Agreement Concerning Transfer of Sentenced Prisoners
- MoU on Tourism
- MoU on Combating Narcotics Trafficking and Developing Police Cooperation
- MoU on Cooperation in the Field of Arts and Culture
- The Social Security Agreement

**25 Nov.** Total 10 agreements signed between India and Nepal during the Prime Minister's visit to Nepal on 25<sup>th</sup> November 2014. The agreements are:

- Agreement of Motor Vehicle
- Agreement on extending Line-of-Credit of \$1bn by India
- MoU on Nepal Police Academy
- MoU on PDA for ARUN- III
- MoU on Tourism
- MoU on traditional medicines
- MoU on youth exchange
- Twin city agreement between Ayodhya and Janakpur

- Twin city agreement between Kathmandu and Varanasi
- Twin city agreement between Lumbini and Bodh Gaya

**28 Nov.** India signed MoU for cooperation in Oil and Gas Sector with Mozambique on 28<sup>th</sup> November 2014 for the next five years.

### Visits

**5 Nov.** Rajnath Singh, the Home Minister of India visited Israel to give strength to the bilateral relations. The Prime Minister of Israel is Benjamin Netanyahu.

**9 Nov.** The President of India Shri Pranab Mukherjee was on first bi-lateral visit to Bhutan on 7-8 November 2014 in past 26 years by any President of India.

**10 Nov.** Sushma Swaraj, the External Affairs Minister of India, visited United Arab Emirates during 10-12 November 2014. UAE is the 11<sup>th</sup> largest investor in India in FDI.

### Festivals and Days held

**7 Nov.** On 7<sup>th</sup> November 2014, National Cancer Awareness Day observed in the country.

**9 Nov.** 25<sup>th</sup> anniversary of the fall of Berlin Wall observed on 09<sup>th</sup> November 2014.

**11 Nov.** On 11<sup>th</sup> November 2014, National Education Day observed on the eve of birth anniversary of Maulana Abul Kalam Azad (full name Abul Kalam Muhiyuddin Ahmed Azad). He was the first Education Minister of India. He was also won Bharat Ratna award.

**14 Nov.** On 14<sup>th</sup> November 2014, 125<sup>th</sup> Birth Anniversary of Pandit Jawaharlal Nehru celebrated. He was the first Prime Minister of India and also known as Architect of Modern India.

### New Schemes

**11 Nov.** Jeevan Pramaan-Digital Life Certificate for Pensioners launched by the Prime Minister of India Shri Narendra Modi. The basic aim of the scheme is that to provide the hassle free pension to about 1 Crore pensioners in all over India. Now, they not need to provide Life Certificate every year.

**14 Nov.** Child Rights and You (CRY) launched the project namely 'Project Unlearn' to end the child labour and also encouraged the children to go to the school. The project launched on the eve of Children's Day i.e. on 14<sup>th</sup> November, 2014.

**14 Nov.** National Bal Swachhta Mission and Udaan programme for girls launched by the Government of India on the eve of Children's Day i.e. 14<sup>th</sup> November 2014.

**18 Nov.** Kisav Vikas Patra scheme re-launched by the Government of India to encourage the small amount savings. Earlier, the scheme launched on 01<sup>st</sup> April 1988.

**20 Nov.** The State Government of Gujarat launched 'Home Stay Scheme' on 20<sup>th</sup> November 2014 for tourists who visiting the State of Gujarat.

**24 Nov.** Scheme Management System scheme launched by the State of Arunachal Pradesh on 24<sup>th</sup> November 2014 to provide hassle free government services to the public and became the first State to launch this software for the better governance.

**27 Nov.** Electronic Travel Authorization Scheme launched by the Government of India on 27<sup>th</sup> November 2014 in about 43 countries including Australia, New Zealand, Singapore, Thailand etc.

### Reports

**5 Nov.** According to the Forbes list of World's Most Powerful People 2014, Prime Minister of India Shri Narendra Modi ranked at 15<sup>th</sup> position while Mukesh Ambani is at 36<sup>th</sup> rank.

**17 Nov.** According to data of Foreign Policy Magazine, released on 17<sup>th</sup> November 2014, Prime

Minister of India Shri Narendra Modi ranked at 1<sup>st</sup> position and Amit Shah ranked at 3<sup>rd</sup> position. The list includes 100 global thinkers and also includes top ten decision makers and innovators.

### International Events

**1 Nov.** Bangladesh faced the 24-hour electricity blackout on 1<sup>st</sup> November 2014 across the country due to the heavy demand in the country.

**2 Nov.** On 02<sup>nd</sup> November 2014, a heavy bomb blast set off in Pakistan just near about the Wagah Border. Near about 55 people died in the blast and over 200 injured.

**3 Nov.** World Trade Center of United States of America reopened after 13 years for the business. The Center was remained closed from 9/11 attack in the year 2001. The centre was 104-storey building and about 3000 people were killed in that attack.

**3 Nov.** United States of America became 8<sup>th</sup> partner for the Vibrant Gujarat Global Investor Summit for the year 2015. The summit organized by the State Government of Gujarat.

**4 Nov.** Nikki Haley, the Indian-American Governor of South Carolina, United States of America again elected successfully the Governor of South Carolina, USA.

**5 Nov.** Niraj Antani, Indian-American became the youngest law maker in Ohio, House of Representatives, United States of America. He is just 23 years old.

**7 Nov.** Keith Vaz, Indian-British politician named as the Labour MP for the year 2014 for his work for deprived and minority sections of the country. He is the Member of Parliament of Liecester East and relates to Labour Party in Britain.

**11 Nov.** 21<sup>st</sup> Asia-Pacific Economic Cooperation held in Beijing, China during the period 08<sup>th</sup> to 10<sup>th</sup> November 2014.

**12 Nov.** Bill Gates, who is business magnate and computer programmer of United States of America, will give donation of \$500 to fight with Malaria.

**13 Nov.** Mitch McConnell (full name Addison Mitchell McConnell) selected as the Majority Leader of the Senate, United States of America.

**14 Nov.** 9<sup>th</sup> East Asia Summit held in Nay Pyi Taw, the capital city of Myanmar. Prime Minister of India Shri Narendra Modi addressed the summit. About 18 countries participated in it.

**16 Nov.** G-20 summit concluded at Brisbane, Australia. The next G-20 summit will be held in Antalya, Turkey.

**19 Nov.** On 19<sup>th</sup> November 2014, Sri Lanka released 5 Indian fishermen who have death sentenced for drug trafficking. Earlier, in the year 2011, the navy of Sri Lanka arrested these 5 Indian fishermen.

**19 Nov.** On 19<sup>th</sup> November 2014, Barcelona, the famous city of Spain will provide help to Delhi Development Authority to make Delhi a Smart City.

**20 Nov.** On 20<sup>th</sup> November 2014, 45<sup>th</sup> edition of International Film Festival of India organized at Goa, Goa became the permanent venue for hosting the IFFI recently.

**20 Nov.** The list of 25 Best inventions of the year 2014 released by the Time Magazine on 20<sup>th</sup> November 2014. Wireless Electricity, 3-D printing etc. are one of that best inventions.

**21 Nov.** On 21<sup>st</sup> November 2014, the lower house of Parliament of Japan dissolved by the Prime Minister Shinzo Abe. The General Elections will be held in Japan in the year 2016.

**23 Nov.** Father Kuriakose Chavara and Sister Euphrasia of India declared Saints by the Vatican on 23<sup>rd</sup> November 2014.

**23 Nov.** On 23<sup>rd</sup> November 2014, Zangmu Hydropower Project built by China in Tibet, started its operations on Brahmaputra River. The project is the largest dam which built on Tibetan plateau.

**24 Nov.** The talks between Iran and six World Powers on the issues of Nuclear Deal of Iran extended by 01<sup>st</sup> July 2015 on 24<sup>th</sup> November 2014. The agreement named as P5+1.

**25 Nov.** On 25<sup>th</sup> November 2014, the international bus service inaugurated between Delhi and Kathmandu, Nepal.

**26 Nov.** On 26<sup>th</sup> November 2014, Pakistan was the one and only country to object the three major agreements proposed in 18<sup>th</sup> SAARC Summit held at Kathmandu, Nepal. The agreements are linked with energy cooperation, motor vehicle and railway line.

### About ISIS

**2 Nov.** Islamic State of Iraq and Syria (ISIS) killed more 322 people of Al-Bu Nimr Tribe in Anbar, Iraq.

### Black Money Case

**4 Nov.** Mauritius will support the Government of India to unearth Black Money and gave the help to the SIT. It was announced by Foreign Minister of Mauritius Arvin Boolell during the Mauritius visit of Foreign Minister of India Sushma Swaraj.

### Agreements

**5 Nov.** MoU signed between Union Ministry of MSME and ILO to support the 'Make In India' initiative, launched recently.

**17 Nov.** Five agreements signed between India and Australia during the visit of Prime Minister of India Shri Narendra Modi to Australia. Five agreements are:

- Agreement Concerning Transfer of Sentenced Prisoners
- MoU on Tourism
- MoU on Combating Narcotics Trafficking and Developing Police Cooperation
- MoU on Cooperation in the Field of Arts and Culture
- The Social Security Agreement

## Business and Economy

### National Events

**1 Nov.** The usage of ATMs in six metro cities of India reduced from 5 to 3. The six cities are:

- Bengaluru
- Chennai

- Hyderabad
- Kolkata
- Mumbai
- New Delhi

**1 Nov.** To provide the news updates to more and more people of India, All India Radio (AIR) launched free SMS service in four more languages. The languages are:

- Assamese
- Gujarati
- Malayalam
- Tamil

**5 Nov.** On 05<sup>th</sup> November 2014, first time, the BSE Sensex crossed 28,000 points.

**9 Nov.** UCO bank became 2<sup>nd</sup> bank who tag Vijay Mallya as a wilful defaulter, the owner of Kingfisher Airlines. The first one was United Bank of India.

**25 Nov.** Reserve Bank of India on 25<sup>th</sup> November 2014 approved Kotak Mahindra Bank to enter into the general insurance business.

**26 Nov.** On 26<sup>th</sup> November 2014, the car namely 'WagonR' the Model of Maruti Suzuki India became the company's third car to cross the sale of Rs.15 Lac in the country.

**27 Nov.** Reserve Bank of India released guidelines for licensing of Payment Banks, the guidelines will allow the mobile firms and others into enter the banking.

**28 Nov.** The market capitalization of all the listed companies hit Rs.100 Trillion, the record landmark figure on the Bombay Stock Exchange (BSE), the largest Stock Exchange in Asia.

### Reports

**5 Nov.** RBL Bank (formerly known as Ratnakar Bank Limited) chosen as Global Growth Company for the year 2014 by the World Economic Forum.

**8 Nov.** According to the data revealed by the International Monetary Fund, China overtook the economy of United States of America in Purchasing Power Parity terms.

**13 Nov.** According to the data released recently by the World Gold Council, India is the biggest consumer of Gold metal.

**14 Nov.** Microsoft became 2<sup>nd</sup> most valuable company in all over the World. The CEO of Microsoft is Satya Nadella.

### New Schemes

**11 Nov.** Maruti Suzuki launched the new version of automatic car namely 'Alto K10' at the cheapest rate of Rs.3.80 Lac.

**12 Nov.** The social gamified collaboration platform namely 'SloPho' launched by the former Indian International Cricketer Kapil Dev.

**14 Nov.** Facebook, the famous social networking site, launched the new video tool namely 'Say Thanks'.

**19 Nov.** Bharatiya Mahila Bank launched internet banking namely 'BMB Smart Banking'. Bharatiya Mahila Bank is the first Women's Bank who completed one year of its operations on 19<sup>th</sup> November 2014.

**19 Nov.** Verse, a single platform e-mail application, launched by IBM. Now, the employees of IBM can access e-mails, sharing the files, instant messaging and calendras etc.

### Agreements

**20 Nov.** ING Vysya Bank merged with Kotak Mahindra Bank on 20<sup>th</sup> November 2014. The CEO of ING Vysya Bank was Shailendra Bhandari and CEO of Kotak Mahindra Bank is Uday Kotak.

**21 Nov.** Tech Mahindra, IT company of India acquired the company 'Virginia', the company of USA with \$240 million. Tech Mahindra announced it on 21<sup>st</sup> November 2014.

### Internatinal Events

**12 Nov.** Alibaba, China based e-commerce company earned about \$9.3 bn in just one day. The company made this record on 11<sup>th</sup> November 2014.

**13 Nov.** On 13<sup>th</sup> November 2014, Facebook, the famous social networking site, launched the new video tool namely 'Say Thanks'.

**14 Nov.** On 14<sup>th</sup> November 2014, Microsoft became 2<sup>nd</sup> most valuable company in all over the World. The CEO of Microsoft is Satya Nadella.

## Sports

### Tennis

**23 Nov.** On 23<sup>rd</sup> November 2014, Switzerland won Davis Cup title of Tennis.

### Athletics

**23 Nov.** Guye Adola of Ethopia won men's Airtel Delhi Half Marathon held on 23<sup>rd</sup> November 2014 while Florence Kiplagat of Kenya won women's Airtel Delhi Half Marathon. The Marathon comprised of 21.1 km.

### Chess

**23 Nov.** Magnus Carlsen won World Chess Championship on 23<sup>rd</sup> November 2014. He is from Norway and ranked at No.1 position in the World Ranking.

### Boxing

**24 Nov.** On 24<sup>th</sup> November 2014, Sarjubala Devi and Saweety won Silver Medals in World Women's Boxing Championship held in Jeju, South Korea.

**26 Nov.** Manoj Kumar, the Indian Boxer received Arjuna Award on 26<sup>th</sup> November 2014.

### Cycling

**23 Nov.** Deborah, the Indian Cyclist won four Gold Medals at Track Asia Cup 2014 held at Indira Gandhi Stadium, New Delhi on 23<sup>rd</sup> November 2014.

### Cricket

**2 Nov.** Misbah-ul-Haq, the famous cricket player of Pakistan set a record of Test Century in just 56 balls against Australia and equalled the record of Vivian Richards of West Indies. Vivian Richards set this record in the year 1986 against England.

**9 Nov.** Virat Kohli, most famous International Cricket Player of India made the history to reach at 6000 runs in ODI Matches. He overtook the record of Vivian Richards, the former most famous International Cricket Player of West Indies. Virat Kohli reached at this milestone by playing 144 matches while Vivian Richards was in 156 matches.

**13 Nov.** Rohit Sharma, the Indian Cricketer set a new record of 264 runs in ODI match played against Sri Lanka. He broke the record of Virender Sehwag of 219 runs. Now, he became a single player who scored 2 Double Centuries in ODI matches.

**14 Nov.** The prize money of Cricket World Cup participating teams increased about 20% by the International Cricket Council. Now, the World Cup Winner team will get \$4.3 mn. The main thing is also came into the light that the Decision Review System would be used in all the 49 matches of Cricket World Cup.

**14 Nov.** The ambassadors selected for Cricket World Cup 2015 by the International Cricket Council. Virat Kohli of India is one of the ambassadors. The Cricket World Cup will start 14<sup>th</sup> February 2015 onwards.

**16 Nov.** International Cricket team of India whitewashed Sri Lanka on 16<sup>th</sup> November 2014 by 5-0 in ODI Series under the captaincy of Virat Kohli. Earlier, in the year 1982 India whitewashed Sri Lanka in Cricket ODI Series under the captaincy of Kapil Dev.

### Shooting

**4 Nov.** Manavadiya Rathore won Gold medal in Junior Asian Shooting Championship. He is the son of Silver Medalist Rajyavardhan Rathore.

**6 Nov.** Ankur Mittal won Gold Medal at 4<sup>th</sup> Asian Shotgun Championship.

### Football

**5 Nov.** Lionel Messi, the football player scored his 71<sup>st</sup> UEFA Championship League Goal and equalled the record of Raul Gonzalez, the football player of Spain.

**5 Nov.** Cristiano Ronaldo (Full name Cristiano Ronaldo dos Santos Aveiro) received European Golden Boot Award for the year 2013-14. He is the famous professional football player of Portugal.

**22 Nov.** Lionel Messi, FC Barcelona superstar made a hat trick on 22<sup>nd</sup> November 2014 and became the all-time highest scorer in La Liga history.

### Badminton

**11 Nov.** Lee Chong Wei, No.1 male Badminton Player of Malaysia temporarily suspended on 08<sup>th</sup> November 2014 after failed the doping test.

**16 Nov.** Saina Nehwal and Kidambi Srikanth of India won China Open women's and men's singles titles of Badminton respectively.

### F-1

**9 Nov.** Nico Rosberg (full name Nico Erik Rosberg) won Brazilian Formula One Grand Prix. He has dual citizenship of Germany and Finland.

**20 Nov.** Sebastian Vettel, four time F-1 champion of Germany would join F-1 team 'Ferrari' of Italy in the next year 2015 for next 3 years. The information revealed on 20<sup>th</sup> November 2014 by the team 'Ferrari'.

**23 Nov.** On 23<sup>rd</sup> November 2014, Lewis Hamilton of Great Britain won Abu Dhabi Grand Prix and became F-1 champion of the year 2014.

### Hockey



**19 Nov.** Terry Walsh, the Chief Coach of Indian Hockey team resigned. He was the Coach of Indian Hockey Team from October 2013.

**19 Nov.** Suresh Raina, the famous Indian International Cricket Player became the co-owner of Uttar Pradesh Wizards, the franchise team of Hockey Indian League.

### Awards and Books

**1 Nov.** The novel namely 'Half Girlfriend' written by Chetan Bhagat. According to the New York Times, his English novels became the biggest selling English language novels in the year 2008.

**3 Nov.** Manmohan Singh, the former Prime Minister of India will award with the top most national award of Japan i.e. The Grand Cordon of the Order of the Paulownia Flowers 2014.

**4 Nov.** Padmaja Naidu Himalayan Zoological Park of Darjeeling, West Bengal, India, the largest high altitude Zoo of India, awarded with The Earth Heroes Award for the year 2014 and became the first Zoo of India to receive the award.

**5 Nov.** The autobiography of Sachin Tendulkar namely 'Playing It My Way' launched in Mumbai.

**5 Nov.** Bhuvneshwar Kumar, famous Cricketer of India, won LG People's Choice Award 2014. He became the third Indian to win this award, other two are: Sachin Tendulkar and Mahendra Singh Dhoni.

**5 Nov.** On 05<sup>th</sup> November 2014, Former Prime Minister of India Shri Manmohan Singh received "Grand Cordon of the Order of the Paulownia Flowers" of Japan.

**5 Nov.** Hanumappa Sudarshan won Social Entrepreneur Award for the year 2014.

**14 Nov.** Gandhian Philosophy and Public Service Broadcasting Award for the year 2014, won by Radio Kashmir Jammu for the programme 'Jeevan Rekha'.

**14 Nov.** The book namely 'Truth Always Prevails' written by Sadruddin Hashwani, released.

**14 Nov.** Gandhian Philosophy and Public Service Broadcasting Award for the year 2014, won by Radio Kashmir Jammu on 14<sup>th</sup> November 2014 for the programme 'Jeevan Rekha'.

**15 Nov.** On 15<sup>th</sup> November 2014, Custodian of the Year 2014 Award won by Deutsche Bank. The award ceremony held in London and was organized by Incisive Media Group.

**16 Nov.** The biography titled 'My Name is Abu Salem' written by S. Hussain Zaidi released on 16<sup>th</sup> November 2014.

**18 Nov.** Dilip Vengsarkar (full name Dilip Balwant Vengsarkar), former Cricketer of India selected for C.K. Nayudu Lifetime Achievement Award for the year 2014.

**18 Nov.** Pandit Jasraj conferred with Sumitra Charat Ram Award for the year 2014 on 18<sup>th</sup> November 2014 for his lifetime achievement. He is the founder of Shriram Bharatiya Kala Kendra which was established in the year 1952.

**18 Nov.** The book namely 'Truth Always Prevails' written by Sadruddin Hashwani, released on 18<sup>th</sup> November 2014.

**18 Nov.** On 18<sup>th</sup> November 2014, 1<sup>st</sup> State Bravery Award of the State of Assam given to Gunjan Sarma. Gunjan Sarma saved the life of 10 children who were taken hostage by a gunman in the year 2013.

**19 Nov.** 1<sup>st</sup> State Bravery Award of the State of Assam given to Gunjan Sarma. Gunjan Sarma saved the life of 10 children who were taken hostage by a gunman in the year 2013.

**19 Nov.** Indian Space Research Organisation selected for Indira Gandhi Prize for Peace, Disarmament and Development for the year 2014.

**19 Nov.** Neha Gupta, Indian-American won International Children's Peace Prize for the year 2014. He received the award for providing help to the orphans in India.

**19 Nov.** On 19<sup>th</sup> November 2014, Dilip Vengsarkar (full name Dilip Balwant Vengsarkar), former

Cricketer of India selected for C.K. Nayudu Lifetime Achievement Award for the year 2014.

**19 Nov.** Neha Gupta, Indian-American won International Children's Peace Prize for the year 2014 on 19<sup>th</sup> November 2014. He received the award for providing help to the orphans in India.

**20 Nov.** On 20<sup>th</sup> November 2014, Indian Space Research Organisation selected for Indira Gandhi Prize for Peace, Disarmament and Development for the year 2014.

**20 Nov.** The book titled Your Dreams are Mine Now: She Showed him What Love Was, released on 20<sup>th</sup> November 2014 and authored by Ravinder Singh.

**21 Nov.** On 21<sup>st</sup> November 2014, Deutsche Bank Urban Age Award for the year 2014 won by 'Chintan' which is the non-government organization.

**23 Nov.** The book titled Black Tornado: The Three Sieges of Mumbai 26/11, released on 23<sup>rd</sup> November 2014. The author of the book is Sandeep Unnithan.

### Appointments

**1 Nov.** Lokesh Chandra appointed as Chairman of Indian Council for Cultural Relations for the term of 3 years. He was also awarded with the 2<sup>nd</sup> highest civilian award of the country i.e. Padma Bhushan in the year 2006.

**3 Nov.** Narinder Batra, the President of Hockey India became the member of International Hockey Federation Executive Board.

**4 Nov.** Ashok Kumar appointed as Law and Order Director-General of Police of Tamil Nadu succeeded by K. Ramanujam.

**5 Nov.** Fabiola Gianotti, Italian physicist appointed as first woman Chief of CERN particle physics research centre, the European Organization for Nuclear Research.

**5 Nov.** Sanjay Baweja appointed as Chief Financial Officer of Flipkart, the electronic commerce company founded in the year 2007 by Sachin Bansal and Binny Bansal.

**5 Nov.** Anita Kapur appointed as Chairperson of Central Board of Direct Taxes which is the apex authority of the Income Tax Department, the authority established under the Central Board of Revenue Act, 1963.

**10 Nov.** G.S. Sandhu appointed as the Chairman of National Chemical Weapon Convention. Earlier, he was the Secretary of financial services.

**11 Nov.** Rajiv Mehrishi appointed as Secretary of Economic Affairs succeeded by Arvind Mayaram.

**11 Nov.** Aditi Hardikar, Indian-American appointed as Liaison with the Lesbian, Gay, Bisexual and Transgender (LGBT) community as well as the Asian American and Pacific Islander community.

**12 Nov.** Rishi Vasudev and P. Balakrishnan appointed as Vice President of India's largest company i.e. 'Flipkart'.

**12 Nov.** K.C. Reddy appointed as the member of United Nations probe panel on Gaza.

**15 Nov.** Farhan Akhtar, the famous Bollywood Actor appointed as UN Women Goodwill Ambassador for South Asia. He became the first male to be appointed as a Goodwill Ambassador.

**16 Nov.** The biography titled 'My Name is Abu Salem' written by S. Hussain Zaidi released on 16<sup>th</sup> November 2014.

**18 Nov.** Dr. Has Mukh Adhia appointed as Director of the Central Board of Directors of Reserve Bank of India on 18<sup>th</sup> November 2014 by replacing with Gurdial Singh Sandhu.

**19 Nov.** Vivek Sood appointed as CEO of 'Uninor' on 19<sup>th</sup> November 2014 replaced with Morten Karlsen Sorby. Uninor is the Mobile Phone services company of Norway.

**23 Nov.** On 23<sup>rd</sup> November 2014, Deepak Gupta appointed as the Chairman of Union Public Service Commission, the Commission is Central Agency of India which is authorized to conduct the Civil Services Examination and other higher exams.

**23 Nov.** On 23<sup>rd</sup> November 2014, K.N. Tripathi, the Governor of West Bengal appointed as the Governor of Bihar.

**24 Nov.** On 24<sup>th</sup> November 2014, Ajit Doval, National Security Advisor of India appointed as the Special Representative of India to conduct boundary negotiations with China.

**24 Nov.** On 24<sup>th</sup> November 2014, Chandramauli Kumar Prasad appointed as the Chairperson of Press Council of India. He is the former Justice of Supreme Court of India.

**25 Nov.** Sania Mirza appointed as Goodwill Ambassador for South Asia by United Nations Women on 25<sup>th</sup> November 2014 and became the first South Asian woman to be appointed as a Goodwill Ambassador.

**26 Nov.** Anoop Mishra appointed as Secretary General of Lok Sabha on 26<sup>th</sup> November 2014.

### Deaths

**2 Nov.** Acker Bilk, an English Clarinet Player, died on 02<sup>nd</sup> November 2014. He was known for his goatee and bowler hat.

**3 Nov.** Sadashiv Amrapurka (real name Ganesh Kumar Narwode), the famous bollywood actor, died on 03<sup>rd</sup> November 2014. He received the award for his negative role in the film Sadak.

**10 Nov.** Ken Takakura, famous actor of Japan, died. He was also known as the 'Clint Eastwood of Japan'.

**11 Nov.** Qimat Rai Gupta, the Chairman of Havells India Limited, died. Havells India Limited is Electrical Power Distribution Equipment and established in the year 1971. He was successful to made a position in Forbes billionaire list recently at 48<sup>th</sup> richest man of India.

**11 Nov.** Mathias Samuel Soundra Pandian, the Professor of Jawaharlal Nehru University, died. Pandian was also a writer and wrote about politics of South India and also about the Dravidian Movement.

**12 Nov.** Ravi Chopra, the famous Bollywood Director, died. He was the Director of famous TV show Mahabharata. He was also Directed the Super hit film 'Baghban' released in the year 2003.

**13 Nov.** Chandrasekhar P. Sant, President of the Sports Journalists Association of Mumbai, died on 13<sup>th</sup> November 2014.

**13 Nov.** Alexander Grothendieck, the famous Mathematician, died on 13<sup>th</sup> November 2014. He received the Fields Medal in the year 1966.

**19 Nov.** Rudraiya Chockalingam, the famous Tamil film Director, died on 19<sup>th</sup> November 2014.

**19 Nov.** Mike Nicholas, Oscar Award Winner, died on 19<sup>th</sup> November 2014. He was famous comedian and theatre director. He was also awarded with Emmy, Grammy and Tony Awards. He won total about 10 times Tony Award, the awards has given in the field of excellence in theatre.

**23 Nov.** Raghuvir Nevrekar, the senior Actor and Director of Marathi films, died on 23<sup>rd</sup> November 2014.

**24 Nov.** Murli Deora, former Union Minister and Congress leader, died on 24<sup>th</sup> November 2014 after a prolonged illness.

**25 Nov.** Sitara Devi, legendrary Kathak Danseuse, died on 25<sup>th</sup> November 2014. She was awarded with Sangeet Natak Akademi Award, Padma Shri and Kalidas Samman etc.

**26 Nov.** Tapan Raychaudhuri, the famous historian of modern India's social and economic history, died on 26<sup>th</sup> November 2014. He was awarded with Watumull Prize by American Historical Association jointly with Irfan Habib and was also awarded with India's 3<sup>rd</sup> highest civilian honour i.e. Padma Bhushan.

**27 Nov.** Phil Hughes went in a critical condition and went into coma struck after the injury on his head at Sydney Cricket Ground on 25<sup>th</sup> November 2014. Ultimately, he died on 27<sup>th</sup> November 2014.

**27 Nov.** On 27<sup>th</sup> November 2014, Phyllis Dorothy James from Britain, died. She was known for her series of detective novels. She was awarded with Diamond

Dagger Award in the year 1987 and she was also received the Medal of Honour for Literature in the year 2005.

**28 Nov.** Roberto Gomez Bolanos (Chespirito), the iconic comedian of Mexico, died on 28<sup>th</sup> November 2014 at the age of 85. He wrote many more television episodes and theatre productions.

### Science and Technology

**14 Nov.** Dhanush ballistic missile, surface to surface missile, successfully test fired by India. Prithvi-II, surface to surface missile, also test fired by India on 14<sup>th</sup> November 2014.

#### 14 Important Facts about Mangalyaan – MOM

##### 14 important facts about Mars Orbiter Mission (MOM), also called Mangalyaan

1. Mars Orbiter Mission became India's first interplanetary mission to the planet Mars. Mars Orbiter Mission also called Mangalyaan.
2. India became first country in all over the world to insert a spacecraft into the Martian orbit in its first attempt.
3. The Mission is built with cost of Rs.454 Crores.

4. The Mission developed and deployed in just 15 months.

5. The Mission will help to understand the dynamics of cruising a spacecraft. It will also help the Indian Scientists to gain the proper knowledge.

6. Only 4 countries have sent successful Martian Mission till date. The countries are United States of America, Russia, France and India.

7. Indian Space Research Organization became 4th Space Agency after NASA, ESA and Roscosmos who reach on Mars.

8. The project of this Mission was approved by the Union Government of India on 03rd August 2012.

9. Mars Orbiter Mission is the cheapest Mission which costs about Rs.4 per person.

10. Only 21 missions became successful out of 51 missions to the red planet by different countries.

11. The Mission will also help to search Mars for Methane which is a key chemical in life on the Earth.

12. The Mission scheduled to lift off on 05th November 2013 from Sriharikota, Andhra Pradesh.

13. Meaning of word Mangalyaan is 'Mars Craft'.

14. India also became Asia's first country with the spacecraft in the red planet's orbit.

## Banks in India - Head quarters, Branches, Heads and Slogans

Important questions asked about Public Sector banks in bank exams.

#### RESERVE BANK OF INDIA (1935)

**Head Quarter:** Mumbai  
**Governor:** Dr.Raghu Ram Rajan

**4 Deputy Governors:** Mr.Harun Rashid Khan, Mr.S.S. Mundra, Dr.Urjit R. Patel, Mr. R. Gandhi

It has 4 regional offices, 15 Branches and 5 sub-offices.

**Functions:** Formulates, implements and monitors the monetary policy, Regulates and supervise the financial system, Regulates and supervise the payment systems, Manages the Foreign Exchange, Issue Currency, Promotes national objectives, Short terms loans to Govt. under ways and means advances,

**Inspections:** Onsite thru CAMELS & CALCS and ofsite thru OSMOS, Nationalized in 1949, Established in 1935 by RBI Act 1934.

### STATE BANK OF INDIA (1955)

**Head Quarter:** Mumbai

It was the 1<sup>st</sup> Joint Stock Bank of British India, Bank of Bengl, Bank of Bombay and Bank of Madras amalgamated on 27<sup>th</sup> Jan. 1921, Imperial Bank of India was converted into SBI in 1955, 7 subsidiary were added in the year 1959 State Bank of Saurashtra was merged in 2008 and State Bank of Indore was merged in 2010, Now SBI is having 5 Associate Banks, It is 3<sup>rd</sup> largest employer in India after Coal India and TCS (among listed companies)

**Chairman:** Ms.Arundhati Bhattacharya

Pure Banking nothing else, “With you – all the way”, and “A Bank of commonman”. ATMs more than 43000

**Branches:** more than 15143, 170 branches in 34 nations

### ALLAHABAD BANK (1865)

**Head Quarter:** Kolkata

It is the oldest Joint Stock Bank of India

**Chairman:** Mr.Rakesh Sethi

**Slogan:** A tradition of trust

**Branches:** more than 2500

### ANDHRA BANK (1923)

**Head Quarter:** Hyderabad

It is founded by freedom fighter Mr.B.P. Sitaramaya

**Chairman:** Mr.CVR Rajendran

**Slogan:** For all your needs

**Branches:** more than 1632

### BANK OF BARODA (1908)

**Head Quarter:** Vadodara

It is founded by Maharaja of Baroda Sir Sayajrao Gaekwad – III

**Chairman:** S.S. Mundra

**Slogan:** India’s International Bank

**Branches:** more than 3409

### **BANK OF INDIA (1906)**

**Head Quarter:** Mumbai  
**Chairman:** Mr.A.K. Mishra  
**Slogan:** Rishton Ki Jamapunji  
**Branches:** more than 3415

### **BANK OF MAHARASHTRA (1935)**

**Head Quarter:** Pune

It has largest number of branches by any public sector financial institute in Maharashtra.

**Chairman:** Mr.Narendra Singh  
**Slogan:** One Family One Bank  
**Branches:** more than 1375

### **CANARA BANK (1906)**

**Head Quarter:** Bangalore

Canara bank acquired Lakshmi Commercial Bank in bid in 1985.

**Chairman:** Mr.R.K. Dubey  
**Slogan:** Together we can  
**Branches:** more than 3432

### **CENTRAL BANK OF INDIA (1911)**

**Head Quarter:** Mumbai  
Established in 1911  
**CMD:** Mr.Rajeev Rishi  
**Branches:** more than 4200

### **CORPORATION BANK (1906)**

**Head Quarter:** Mangalore  
**Chairman & MD:** Mr.S.R. Bansal  
**Slogan:** India's Most Customer Friendly Bank

### **INDIAN BANK (1907)**

**Head Quarter:** Chennai  
**Chairman:** Mr.T.M.Bashin  
**Slogan:** Your tech. friendly bank  
**Branches:** more than 1500

### **INDIAN OVERSEAS BANK (1937)**

**Head Quarter:** Chennai  
**Chairman:** Mr.M. Narendra  
**Slogan:** Good people to grow with  
**Branches:** more than 1400

### ORIENTAL BANK OF COMMERCE (1943)

**Head Quarter:** New Delhi  
**Chairman:** Nagesh Pydah  
**Slogan:** Where every individual is committed

### PUNJAB & SIND BANK (1908)

**Head Quarter:** New Delhi

Founding fathers are Bhai Vir Singh, Sir Sunder Singh Majithia, Sardar Tarlochan Singh.

**Chairman:** Jatinder Bir Singh  
**Slogan:** Where service is way of life  
**Branches:** more than 900

### PUNJAB NATIONAL BANK (1894)

**Head Quarter:** New Delhi

It is Indigenous bank of India and 2<sup>nd</sup> largest Comm. Bank of India.

**Chairman:** Mr.K.R. Kamath  
**Slogan:** The name you can bank upon  
**Branches:** more than 4500

### SYNDICATE BANK (1925)

**Head Quarter:** Manipal  
**Chairman:** Mr.Sudhir Kr. Jain  
**Slogan:** Faithful Friendly  
**Branches:** more than 2650

### UCO (UNITED COMMERCIAL BANK) 1943

**Head Quarter:** Kolkata  
**Chairman:** Mr.Arun Kunal  
**Slogan:** Trust and Excellence since 1904  
**Branches:** more than 2000

### UNITED BANK OF INDIA (1950)

**Head Quarter:** Kolkata  
**Chairman:** Mr.Bhaskar sen  
**Slogan:** The Bank That Begins With 'U'  
**Branches:** more than 1443

### VIJAYA BANK (1931)

**Head Quarter:** Bangalore  
**CMD:** Mr.V. Kannan  
**Slogan:** A friend you can bank upon



## Banking

### Types of ATM and their features

#### WHITE LABEL ATM

White Label ATMs are those ATMs which set up, owned and operated by non-bank entities, which have been incorporated under Companies Act 1956, and after obtaining RBI's approval.

#### BROWN LABEL ATMS

These ATMs are owned and maintained by service provider whereas bank whose brand is used on ATM takes care of cash management and network connectivity.

#### ONLINE ATM

Online ATMs: These ATMs are connected to the bank's database at all times and provide real time transactions online. The withdrawal limits and account balances are constantly monitored by the bank. Online ATMs are always watching out for you!

#### OFFLINE ATM

Offline ATMs: These ATMs are not connected to bank's database- hence they have a predefined withdrawal limit fixed and you can withdraw that

amount irrespective of the balance in your account.

So if you did not have balance in your account, and you went to a 'offline ATM' and withdrew money more than the balance – you'll still get the cash at that time, and later on will run afoul with

your bank balance! Where banks may charge some penalty for exceeding your balance!

#### STAND ALONE ATM

Stand Alone ATMs are not connected with any ATM network- hence their transactions are restricted to the ATM's branch and link branches only.

The opposite of Stand alone ATMs are Networked ATMs, which are connected on the ATM Network.

#### ONSITE ATM

Onsite ATMs: are the ATMs you find next to your Bank's branch. They go side-by-side! Or in proper terms, they are the ATMs installed within a branch's premises.

#### OFF-SITE ATM

Off-site ATMs are the ones which are installed anywhere, but within the branch premises. That is these are not installed next to branch. So where are they installed?

### Various Payment Systems in Banks in India

In a series of providing useful material for **Banking Awareness** section of various banking exams. Today I am explaining various payment systems available in banks in a very simple language.

#### 1. RTGS: REAL TIME GROSS SETTLEMENT

- It is a centralized payment system through which inter bank payment instructions are processed and settled, on GROSS basis, in REAL TIME.
- Which simply means, that the transactions are settled as they happen.
- Minimum amount is Rs. 2 lacs and there is no limit to maximum amount.
- A 'service charge' is charged by the banks for outwards transactions (making an RTGS) and nil for inwards transactions (receiving an RTGS).
- RTGS is used by banks to settle their inter-bank account transactions as well as customer's high value transactions.

- It uses INFINET (Indian Financial Network) platform to operate.

### 2. NEFT: NATIONAL ELECTRONIC FUNDS TRANSFER

- It is a nation-wide funds transfer system which facilitates fund transfer from any bank's branch to any other bank's branch.
- The difference between NEFT and RTGS is that NEFT settlements happen in batches, and on net settlement basis. Where as RTGS is real time and gross settlement.
- Net Settlement means, that transaction pertaining to a particular bank branches are kept on hold and accumulated and then processed together in a batch with the 'net' amount, which would either be incoming or outgoing transfer.
- There is no limit to minimum/maximum transaction value.
- NEFT cannot be used for foreign remittances.

- Through AEPS, customer can withdraw or deposit cash, make balance enquiry, and transfer funds.
- The maximum amount of transaction per account per day is Rs.50,000.
- These transactions are normally conducted by Business Correspondents (BCs) service centres.

### 4. MTSS: MONEY TRANSFER SERVICE SCHEME

- It is a system of money transfer for transferring personal remittances from abroad to beneficiaries in India.
- Through this only inward remittances into India are permissible. No outward remittance allowed.
- A maximum of Rs.50,000 can be remitted inwards as per the money value. And a maximum of 30 transactions per calendar year.

### 3. AEPS: AADHAR ENABLED PAYMENT SYSTEM

- It is a payment system which uses Aadhar card number and an individuals online UIDAI authentication, which are linked to a customers Bank account.
- A customer will have to register his/her Aadhar number to their existing bank account, provided their bank is AEPS enabled.

### 5. NEPAL REMITTANCE SCHEME:

- It is a cross-border one-way remittance facility scheme for remittance from India to Nepal.
- Maximum amount remittance is INR 50,000 and beneficiaries will receive in Nepalese Rupees.

## Full Forms of Financial Terms

Important financial terms for banking exams :-

Term	Full form
EFFC A/c	Exchange Earner Foreign Currency Account
LRS	Liberalised Remittance Scheme
NIM	Net Interest Margin
LIBOR	London Inter Bank Offered Rate
MIBOR	Mumbai Inter Bank offered Rate
IBRD	International Bank for Reconstruction & Development
MLAT	Mutual Legal Assistance Treaty (SAARC)
NACP	National Aids Control Programme
CDM	Clean Development Mechanism

## GK Digest November

CRAR	Capital to Risk Weighted Assets Ratio
GPRS	General Packet Radio Service
CDMA	Code Division Multiple Access
GSM	Global Services for Mobile
BIMSTEC	Bay of Bengal Initiative for Multi Sectoral Technical & Economic Cooperation
CTT	Commodity Transaction Tax
NAPCC	National Action Plan for Climate Change
UNFCCC	U N Framework Convention on Climate Change
NEFT	National Electronic Fund Transfer
FIH	International Hockey Federation
FIFA	International Federation of Association Football/Federation Internationale de Football Association (French acronym)
FSLRC	Financial Sector Legislative Reform Commission
NDM-1	New Delhi Metallo Beta Lactamase-1
CER	Certified Emission Reductions
NPCI	National Payment Corporation of India
IFSC	Indian Financial Services Code
MICR	Magnetic Ink Character Recognition
CBD	Convention on Biological Diversity
COP	Conference of Parties
ABS	Access, Benefit & Sharing
NFS	National Financial Switch
CSE	Centre for Science & Environment
MFI	Micro Finance Institution
QFI	Qualified Foreign Individuals
NAMICA	Nag Missile Carrier
NCHER	National Commission for Higher Education & Research
CCEA	Cabinet Committee on Economic Affairs
PTC	Pass Through Certificate
CAMELS	Capital Assets Management Earnings Liquidity Systems
SECC	Socio Economic & Caste Census
FCEB	Foreign Currency Exchangeable Bonds
NELP	New Exploration Licencing policy
FIPB	Foreign Investment Promotion Board
ITER	International Thermonuclear Experiment Reactor
INDU	Indian National Defence University (Gurgaon, Haryana)
MCX	Multi Commodity Exchange
BAFTA	British Academy Film & Television Awards
NIA	National Investigation Agency
CENVAT	Central Value Added Tax
IIP	Index of Industrial Production
SPV	Special Purpose Vehicle
IMPS	Interbank Mobile Payment Service
OMO	Open Market Operation

GAAR	General Anti Avoidance Rule
FCNR(B)	Foreign Currency Non Resident Bank
MNP	Mobile Number Portability
WIMAX	Worldwide Interoperability of Microwave Access
NCTC	National Counter Terrorism Centre
XBRL	Extensible Business Reporting Language
SACOSAN	South Asian Conference on Sanitation
IMEI	International Mobile Equipment Identity
UNICEF	UN International Children Emergency Fund
OIC	Organisation of Islamic Conference
GCC	Gulf Cooperation Council
SIM	Subscriber Identity Modules
NADA	National Anti Doping Agency
CASA	Current Account, Saving Account
CERN	European Centre for Nuclear Research
CBDR	Common but differentiated responsibility

there were only Rs.400 Crore, and further proposed to set up 5 IIMs and 5 IITs.

### Popular Government Welfare Schemes

#### RMSA (RASTRIYA MADHYAMIK SHIKSHA ABHIYAAN)

Launched in 2009 with an objective to achieve enrollment ratio of 75%, in 2005 the enrollment was just 52.26%, for class IX-X within 5 years by providing a secondary school with reasonable distance of every habitation, target for 2017 is fixed at 100% retention at secondary level. It is a flagship programme for secondary education, In the budget 2014-15 the allocation for RMSA was Rs.4966 Crore.

#### RUSA (RASHTRIYA UCCHATAR SHIKSHA ABHIYAAN)

It was announced in 2007, but the financial architecture was only finalized in 2010, the main concern was over low enrolment ratio in higher education, under this 374 Model Degree colleges in educationally backward districts will be opened just to remove imbalances in unserved and undeserved area. The Present level of higher education is just 12.4% enrollment which has been targeted to 30% by 2020. For finances the ratio between centre and the state would be 75:25 and in special category state it would be 90:10. Under Budget 2014-15, Rs.2200 Crore have been allocated for RUSA in the last budget

#### SJSRY (SWARNA JAYANTI SHAHARI ROJGAR YOJANA)

For the gainful employment to Urban Poor, Unemployed and under employed. It is provided to BPL, educated upto 9th class and maximum unit cost should be Rs.50000. SJSRY was launched in lieu of Nehru Rojgar Yojana and other schemes.

#### NIRMAL BHARAT ABHIYAN SCHEME (TOTAL SANITATION CAMPAIGN)

During 12th five year plan Rs.36000 Crore have been allocated for Drinking Water and Sanitation, under this scheme Rs.10000 is provided for each household latrine in rural areas, Rs.3200 from centre, Rs.1400 from State govt. Rs.900 from home owner and Rs.4500 leverage from MGNREGS will be provided, India target is to eradicate Open Defecation from India by 2019. Rs.5 Lac award is given to Each Nirmal Gram Awardee. The Brand Ambassador of this is Vidya Balan. The new govt. target is by 2019 achieving "Swachh Bharat".

#### NIRMAL GRAM PURASKAR YOJANA

To encourage Panchayati Raj Institution to take up total sanitation campaign (TSC) an award of Rs.5 Lac is given to PRIs that attain a 100% open defecation free village, Sikkim has become the 1st Nirmal State of India, 2nd State is H.P.

### NUHM (NATIONAL URBAN HEALTH MISSION)

Coverage of districts having above 50000 population. One ASHA for every 200-500 slums and urban poor households. 30-100 bedded health centre for 5 Lac population. One ANM for every 10000-12000 population. Urban Primary Health Centres for every 50000, located with or near slums like settlement. 779 urban having more than 50000 populations will be covered by 2015 is the target.

### RASHTRIYA KISHORE SWASTHYA KARYAKARAM: NATIONAL ADOLESCENT HEALTH PROGRAMME

It is nation's 1st comprehensive programme on adolescent, in this age group between 10 to 19 years are taken with the dimension on mental health, nutrition, substance misuse, gender based violence and non communicable diseases. 243 millions adolescents constitute 21% of the total population in India. The National Family Health Survey-3 indicates that 56% of girls and 30% of boys aged 15-19 years are anemic.

### PANDIT MADAN MOHAN MALVIYA'S TEACHER TRAINING PROGRAMME

For preparing the Teaching staff of global standard Rs.500 Crore has been allocated for this programme in the Budget 2014-15.

### BETI BACHAO, BETI PADHAO YOJANA

Government has introduced a new scheme called Beti Bachao, Beti Padhao, which will help in generating awareness and improving the efficiency of delivery of welfare services meant for women with an initial corpus of Rs.100 Crore. The Union Finance Minister Shri Arun Jaitley announced in his maiden Budget speech that government would focus on campaigns to sensitize people of this country towards the concerns of the girl child and women. He said that the process of sensitization must begin early

and therefore the school curriculum must have a separate chapter on gender mainstreaming.

Sharing the concerns of the members on Women's safety, the Finance Minister informed the House that Ministry of Road Transport and Highways will spend Rs.50 Crore on pilot testing a scheme for safety of women on public road transport. Similarly, Ministry of Home Affairs will spend Rs.150 Crore on a scheme to increase the safety of women in large cities. The Finance Minister also proposed to set up Crisis Management Centres in all the districts of NCT of Delhi this year in all government and private hospitals. The funding will be provided from the Nirbhaya Fund, the Minister added.

### RSBY (RASTRIYA SWASTHYA BIMA YOJANA)

Launched in 2007 for BPL (a unit of 5 family members) in the un organized sector, A smart card for cash less health insurance cover is provided, with the sum insured is Rs.30,000 per family and expenses bearing ratio of centre and state 75:25 in case of NE states it is 90:10.

### KASTURBA GANDHI BALIKA VIDYALAYA (KGBV)

Under this scheme a provision of settings up residential schools at upper primary level for girls belonging to SC/ST and OBC and minority, it was implemented in EBB (Educationally Backward Blocks) where rural female literacy is below 30% and in select areas where female literacy is below national average KGBV is later on merged with SSA in 2007.

### RYTHU RATNAM

It is mobile van started by Andhra Pradesh to educate farmers; it is equipped with the latest technology mainly to provide information to farmers.

### DEEN DAYAL UPADHAYAYA GRAM JYOTI YOJANA

Rs.500 Crore were allocated for this yojana in the Budget 2014-15 for 24 x 7 days uninterrupted

power supply to all homes, strengthening sub-transmission and distribution system and power will be supplied to all rural areas.

### INDIRA GANDHI MATRITVA SAHYOG YOJANA (IGMSY)

Implemented thru ICDS (Integrated Child Development Services) Scheme, In IGMSY Rs.4000 is given in 3 installments from the 2nd trimester of pregnancy and until the child is 6 months old is available for above 19 years olds, ensuring proper nutrition for new born.

## Popular Govt. Welfare Schemes - Part II

### MID DAY MEALS

It was started first of all in Tamil Nadu in 1960. It is for the benefit of class I to VIII in schools run by government, Local bodies, government aided and national child labour project schools, in this meals are provided with a minimum energy contents for primary level children 485 calories and 13 gm protein and for upper primary level a 728 calories and 21 gm of protein is provided per day. Rs.13215 Crore were provided in the Budget 2014-15. The cooking cost per child per day provided Rs.3.59 for primary section and Rs.5.38 for upper primary section.

### AAJEEVIKA NRLM (NATIONAL RURAL LIVELIHOOD MISSION)

New name of SGSY (Swarnajayanti Gram Swarozgar Yojana): It is the 2nd largest scheme after NREGA. Aajeevika is the new proposed name of this scheme. Rs.2600 Crore have been provided in the General Budget 2014-15. It is a self employment programme, under this assistance is given to the poor families who are below poverty line (BPL) in rural area for taking up self employment, the person taking self employment is called Swarozgari, they may take up the activity either individually or in groups (self help group) normally self help groups are preferred. Under this mission, women SHGs are provided bank loans at 4% on prompt repayment in 150 districts and at 7% in all other districts. I propose to women SHGs at 4% in another 100

districts.

### PMSSY (PRADHAN MANTARI SWASTHYA SURAKSHA YOJANA)

With an objective to correct the regional imbalances 4 AIIMS level institution will be opened all over India and upgrading of existing medical colleges for over all health of the public. As per Budget 2014-15 Rs.39238 were provided for the health care and two new initiative were taken free drug service and free diagnosis services.

### SHAKSHAT PROJECT

One laptop for each child for computer literacy in India.

### JAN SHIKSHA KENDRA

These are the adult education centre to coordinate and manage the literacy mission.

### SWAVALAMBAN

For unorganised sector worker- To promote voluntary savings towards pensions a co-contributory scheme- was started in 2010, LIC has been appointed as an Aggregator and All PSBs as points of presence and aggregator, Union government extended this scheme for the unorganised worker like anganwadi workers, construction workers, weavers, fishermen, farmers, dairy workers etc. Under new pension scheme government funding will continue for 5 years instead of 3 years Rs.1000 is given to each NPS account. For exit from thisw scheme 50 years of age or 20 years period which ever is later is required Rs.1000 to Rs.12000 minimum saving annually is required for each NPS a/c holder. Swavalamban Life – It is also for unorganised sector covering 39 different sectors, Entry age is same i.e. 18 to 60 years, with a minimum Rs.1200 a year, means Rs.100 minimum a month, central government will contribute Rs.1000 for 5 years annually and the state government will contribute 1000 for 3 years. NPS (New Pension Scheme) is for government employees with a minimum Rs.6000 ayear,

Swavalamban is for unorganised sector worker with a minimum contribution of Rs.12000 a year, and Swavalamban Life it is also for Unorganised Sector workers of very small nature, it is with a minimum contribution of Rs.1200 per year.

### UNIVERSAL HEALTH COVERAGE (JAN SWASTHYA ABHIYAAN)

The High Level Expert Group (HLEG) under the planning commission had given its report in November 2011 for UHC. This programme will be covered under NRHM and Rs.30000 Crore will be kept in for next 5 years, in this generic medicine will be given free, at least one district in every state with sub centre and district hospital, 2.5% of the GDP will be kept for health.

### SAAKSHAR BHARAT

The main objective of this scheme is to further promote and strengthen adult education, especially of women, by extending educational options to those adults who having lost the opportunity to access formal education and crossed the standard age now feel a need for learning of any type. Eligibility criteria is a candidate should be non literates in the age group of 15-35 years and women. It can be availed through Jan Shiksha Kendras in various regions.

### ROSHNI

It is a placement oriented skill development scheme. It would target 50000 persons with a condition of 50% women employment, Rs.100 Crore will be spent in 3 years, it is for the age group of 18 to 35 years, Roshni scheme is launched in 24 most critical left wing extremism affected districts (N E states). A training from 3 months to 1 year shall be provided with 75% placement assured with higher than minimum wages persons could be placed anywhere in India.

### HIMAYAT

Means support to help youngsters with no college education find work. This programme has emerged as a platform for women empowerment,

A new scheme to aim to give a skill training to 1 Lac youth in the next 5 years introduced in 2011-12 in J & K.

### NAPCC (NATIONAL ACTION PLAN ON CLIMATE CHANGE)

NAPCC was initiated by the Ministry of Environment, and 8 missions are kept for consideration. 1. Solar Energy 2. Energy conservation and efficiency 3. Strategic knowledge of climate change 4. Sustaining Himalayan Ecosystem 5. National Water Mission 6. Green India Mission 7. Sustainable Habitat 8. Sustainable Agriculture.

### JANANI SURAKSHA YOJANA (JSY)

Under NRHM (national Rural Health Mission) for reducing maternal and neo natal mortality by promoting delivery by the skilled one, among the poor pregnant, JSY card is provided, ASHA/Anaganwari Workers are provided as a link, payment is made before discharge.

### NERPL (NORTH EAST RURAL LIVELIHOODS PROJECTS)

It is aimed at enhancing the livelihoods of the rural poor, especially women, unemployed youth and disadvantaged section in 9 districts of 4 states Mizoram, Nagaland, Sikkim, Tripura with 4 components i.e. Social Empowerment, Economic Empowerment, Partnership Development and Project Management.

### MGNREGA (MAHATAMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT)

It is an Indian job guarantee scheme it provides a legal guarantee for 100 days of employment in every financial year to adult members of any rural household, willing to do public work related unskilled manual work at the statutory minimum wage of rs.120/-, 1/3 of the stipulated workforce is women, work is provided within 5 km of radius of village if more than 10% extra wages are given. Haryana is giving Rs.191 per day under MGNREGA. Andhra Pradesh is providing a guaranteed employment for 150 days. In drought affected states also provided for 150 days of



guaranteed employment. ST who got land under Forest Area Act will also get 50 days additional employment.

### **BHARAT NIRMAAN**

It is basically a rural infrastructures development programme keeping in mind 6 factor roads, houses, irrigation, electricity, drinking water and information technology.

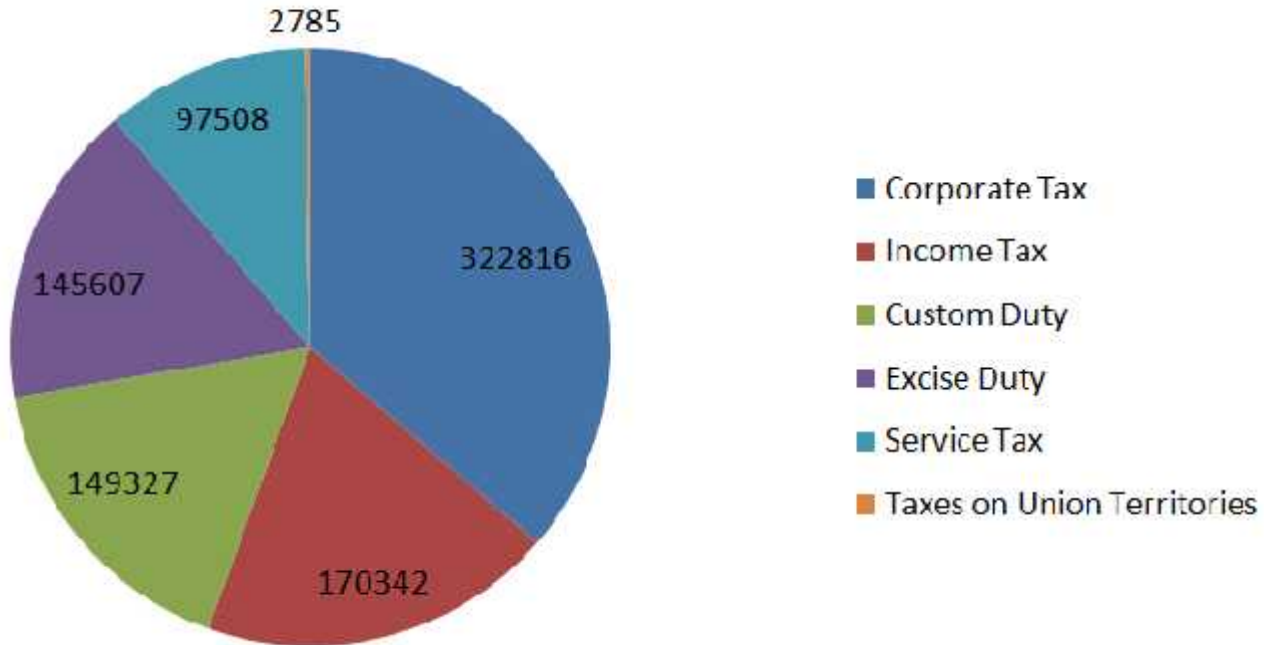
### **JANANI SHISHU SURAKSHA KARAYAKARAM**

It was launched by Ms.Sonia Gandhi in Mandi Khera village of Mewat, all pregnant women are entitled to deliveries including the required treatment pick and drop facility health check up and tests medicines and blood at government hospital free of cost. The infants requiring treatment and medicines etc. will be provided free of cost. Centre is spending 1100 Crore per month.

## Collection from various Taxes in India

Type of Tax	Collection in 2013-14 (Rs Crores)
Corporate Tax	322816
Income Tax	170342
Custom Duty	149327
Excise Duty	145607
Service Tax	97508
Taxes on Union Territories	2785

## Tax Revenues in India (Rs Crores)



**Corporation tax** levied on companies under section Companies Act 1961

**Income tax** is levied on individual, firms other than companies under Income Tax Act 1961

**Wealth tax** is levied on assets of certain individuals and companies under Wealth Tax act, 1957

**Service tax** is levied on services provided by professionals and companies. Services under "Negative Lists" are exempted from service tax.

**Excise duty** is levied on production of goods.

## Important Summits held in 2014

List of important summits held in 2014 along with their venue. This list is important for all upcoming banking exams.

Summit	Venue
APEC Summit	Beijing, China
Arab Summit 2013	Doha, Qatar
ASEAN Summit	Myanmar
Asia Cooperation Dialogue Summit 2012	Kuwait
B-20	Sydney, Australia
BRICS Summit	Fortaleza, Brazil
Earth Summit	Nagoya, Japan

G-20 Summit	Brisbane, Australia
G-7	Brussels, Belgium
G-8	Russia
IBSA Summit 2013	India
NAM (Non-Aligned Movement) Summit 2012	Tehran, Iran
NATO (North Atlantic Treaty Organization) Summit	Newport, Wales
Nuclear Security Summit	Netherlands
SAARC Summit	Kathmandu, Nepal
SCO (Shanghai Cooperation Organization) Summit	Tajikistan
UN Biodiversity summit	South Korea
World Economic Forum Summit	Davos, Switzerland
Cyber Security Summit	Prague, Czech Republic

## Tools by which RBI controls Inflation and Liquidity

### CASH RESERVE RATIO

CRR is the minimum percentage of deposits with commercial banks that they need to deposit with central bank of RBI.

### IMPACT OF INCREASED CRR

**Positive impact** - It is a quick fix to control inflation. By increasing CRR, commercial banks need to deposit more money with RBI. Thus commercial banks left with less money. Now loans become dearer, so people have less money.  
As

**Less money with Commercial banks    Less money with people    Lower demand for goods and services**  
**Lower prices**

Higher CRR simply sucks money from the economy.

### IMPACT OF DECREASED CRR

**More money with Commercial banks    More money with people    Higher demand for**  
**good sand services    Higher prices**

CRR should be aligned with supply and production levels. If people are producing more then they deserve to spend more. Decreased CRR provides a short term fix as it increases demand for short term.

## STATUTORY LIQUIDITY RATIO

This is the percentage of liabilities and time deposits that commercial banks need to keep with them in form of cash, gold or government approved securities.

### IMPACT OF INCREASE IN SLR

Commercial banks need to keep more liquid funds    Provides less loans to people    Lower demand for good and services    Lower prices

### IMPACT ON DECREASE IN SLR

Commercial banks need to keep less liquid funds    Provides more loans to people    Higher demand for good and services    Higher prices

## REPO AND REVERSE REPO RATES

### REPO RATE

It is the rate at which RBI lends money to commercial banks against securities in case commercial banks fall short of funds.

### REVERSE REPO RATE

Rate at which RBI borrows money from commercial banks.

#### Impact

If commercial banks get more money they will lend more money to people which will lead more demand in economy. Thus prices will increase.

### BANK RATE

It is a rate at which RBI lends money to commercial banks **without any security**.

#### IMPACT

When bank rate is increased interest rate also increases which have negative impact on demand thus prices increase.

## MARGINAL STANDING FUNDING

By this mechanism commercial banks can get loans from RBI for their emergency needs. Commercial banks can take loan only upto 1% of their liabilities and time deposits.

### OPEN MARKET OPERATIONS

Buying and selling government securities and bonds in order to manage liquidity in the economy.

### IMPACT OF PURCHASING SECURITIES

**More money in economy    More demand    Higher growth rate**

### IMPACT OF SELLING

**Less money in economy    Less demand    Lower prices**

## Basel II and Basel III Norms - All that you Need to Know

### 1. BRIEF HISTORY:

The Basel Committee on Banking Supervision – *is an international banking regulatory committee formed to develop banking supervisory regulations*. It was established by the Governors of the Central Banks of a group of 10 countries (initially) in 1974.

The objective of the BCBS is to gain a better understanding of the challenges faced by modern banking system in terms of risk and its risk management and to frame supervisory and regulatory standards and guidelines to help the banking system diminish these risks and function properly

- India is a member of the BCBS along with Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, U.K. and USA.
- The present Chairman of the BCBS is Stefan Ingves, who is the Governor of the central bank of Sweden.

### 2. WHY NEEDED IN TODAY'S BANKING SECTOR?

The Global Economic Crisis (2007-08) showed us all how banking sector in the 21<sup>st</sup> C, though highly developed was still prone to the financial shocks. Also the spillover into the banking system from other sectors was also seen, and thus it was felt globally that, as far as banking system was concerned, unified and stricter norms should be welcomed.

### 3. BASEL II:

The predecessor of BASEL III and successor of BASEL I, was in place during the global economic meltdown, and showed the shortcomings in the existing regulatory and supervisory framework.

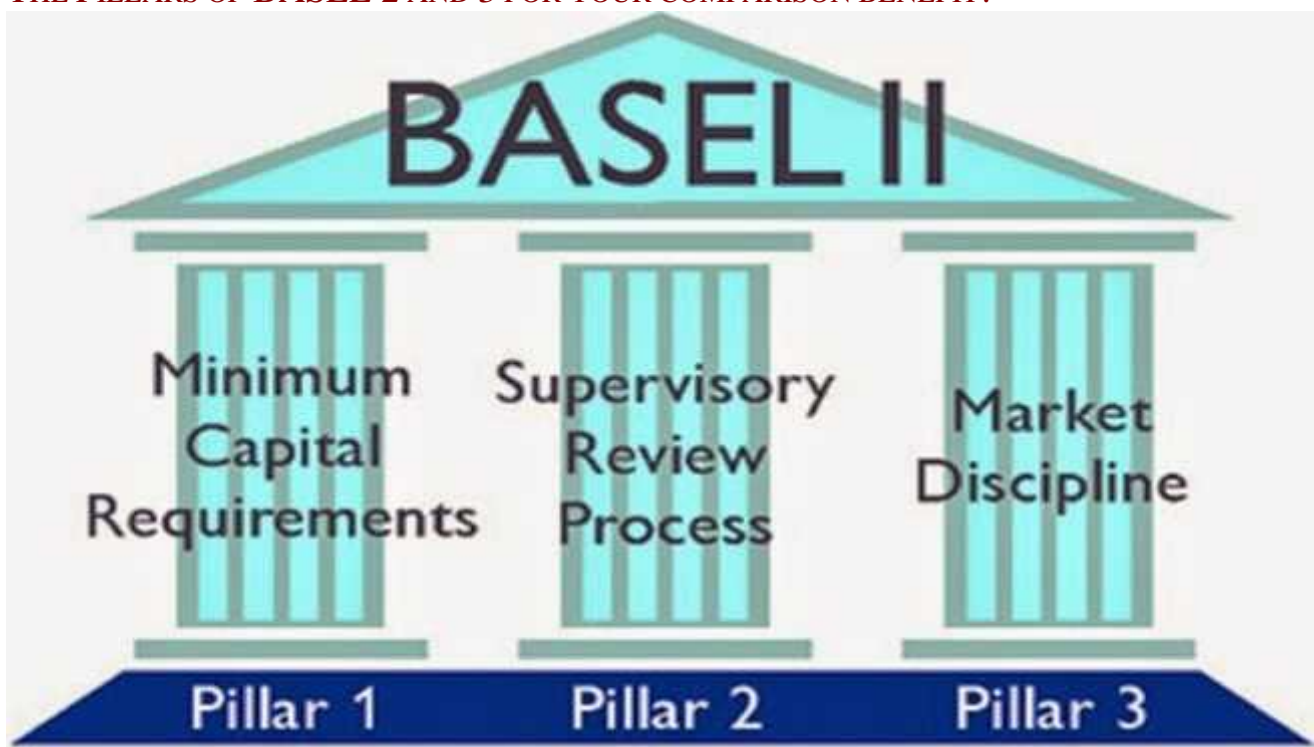
The pillars of BASEL II are further down in the article.

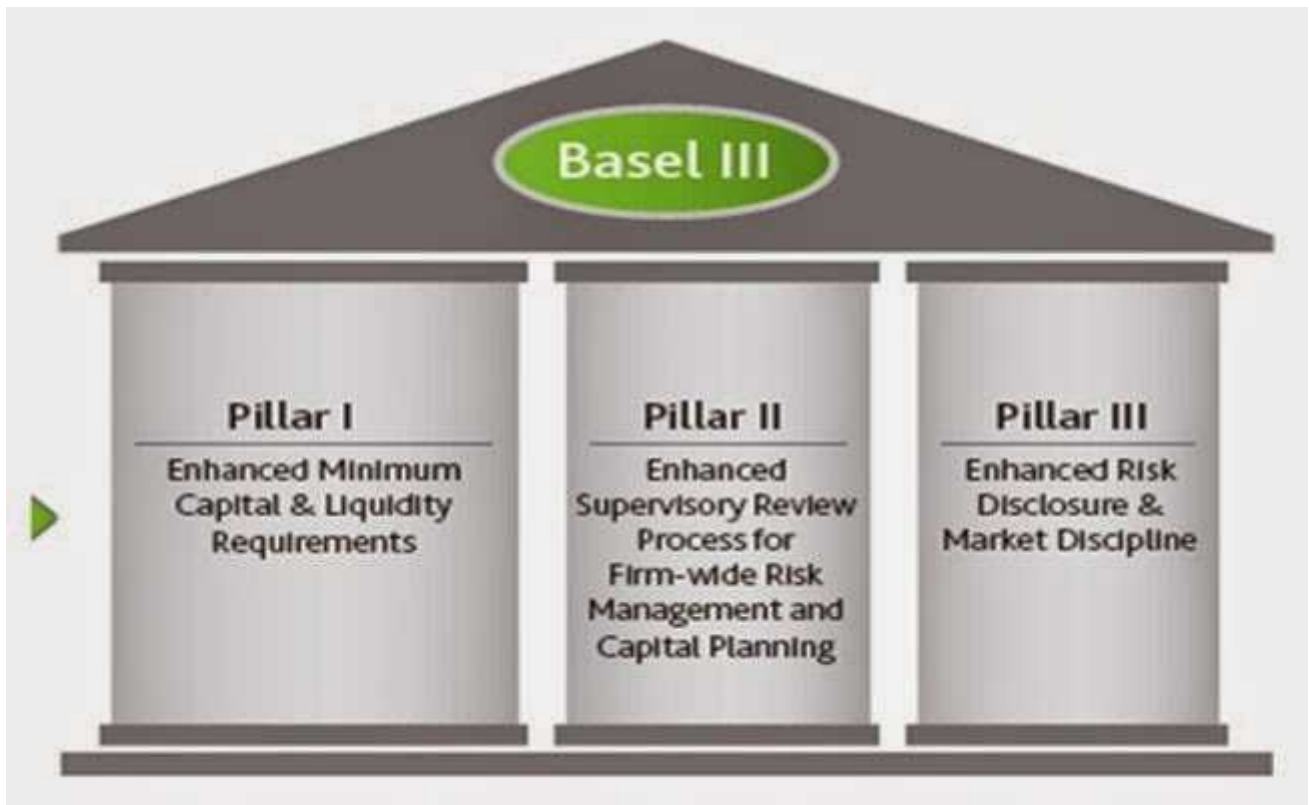
#### **4. BASEL III AND WHY IT HAD TO COME:**

BASEL III which is formally known as the '3rd BASEL Accord' – was released in December, 2010 after being ratified in November 2010 by G20 summit in Seoul – with a view to upgrade the existing norms, i.e., that of Basel II.

- BASEL III is the result of the financial crisis of 2007-2008, which made the BCBS feel that a more stringent supervisory guidelines were required to prevent such mishaps from happening in the future;
- Its aim, among other things, is to strengthen the banking sector to be able to withstand such severe financial crisis without crumbling.
- According to BCBS "Basel III is a comprehensive set of reform measures, developed by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector".

#### **5. THE PILLARS OF BASEL 2 AND 3 FOR YOUR COMPARISON BENEFIT!**





### **5. DIFFERENCE BETWEEN BASELS II AND III?**

As you can see from the two images, the difference in the wordings in the three pillars...the word 'enhanced' has been added to the three pillars of BASEL III.

This simply means that supervisory/regulatory controls are now improved and better in BASEL III, than the previous Basel II.

The important Key elements of BASEL III and it's difference from BASEL II can be understood as follows:

(i) **Capital and it's stricter standards:** BASEL III requires overall capital to be **10.5 % of the Risk Weighted Assets** (RWAs and important from exam/interview point of view!)

Where the BCBS recommends 10.5%, **India has plans to achieve 11.5%** of RWAs as the overall capital, including Tier I, Tier II and Common Tier Equity and **Capital Conservation Buffer (CCB) at 2.5%**

(ii) **Capital conservation buffer** (at 2.5%) has been introduced with the aim of ensuring that banks maintain a *buffer* (like a cushion or a shock absorber) of capital – that can be utilized to withstand losses and financial and economic crises.

(iii) **Counter-cyclical buffer** (CCCB), **ranging within 0 -2.5%** - has been introduced in BASEL III, to achieve a broader and blanket goal of protecting the banking sector of excess credit growth – which directly means increase in risk in bank sector at such times.

### **6. INDIAN SCENARIO:**

(i) As recently as October 2014, the RBI has revised Basel III liquidity guidelines to meet the liquidity coverage ratio (LCR) threshold of 60 % by January 2015.

(ii) Wholly implementation of BASEL III in India is marked for 31 March, 2019 (revised from 31.3.2018); while internationally it is 1 January, 2019.

## Credit Rating – Scale, Scores and Agencies

'Credit Rating' is a very important topic from Bank interview's point. Of course it is quite possible that questions may be asked in the written examination – but when it is interview, knowledge about this particular area is a must in your arsenal!

### 1. CREDIT RATING

'Credit rating' the assessment of the credit worthiness of a borrower or a loan taker; credit worthiness refers to the ability of a borrower to 'service the loan', i.e., pay back the loan along with the interest

### 2. HOW IS IT DONE?

Assessment of credit worthiness and subsequently the rating of a borrower can be made in general terms on his business as a whole to project a favourable image to the industry at large.

Or it can be undertaken on the request of the borrower specifically with respect to a particular debt or financial obligation, or for the purpose of applying for a fresh loan.

The entity which wants the credit rating done – it can be the Bank too, which before it approves a loan wants to know the credit worthiness of the prospective borrower, or the borrower itself – pays to the rating agencies for their services.

### 3. HOW ARE THE RATINGS DONE?

- The rating agencies conduct their procedures to gauge the credit worthiness of the entity with due diligence based on latest industry standards, requirement, economic and financial climate and the entity's own past and present performances and expected/viable future plans, etc.
- The borrower/entity will always want to have the highest possible credit rating; the lender/bank will expect an average rating!

It is the job of the credit rating agency to strictly adhere to objectivity in attaching a particular rating to an entity.

### 4. IMPLICATIONS OF 'RATING'.

1. Ratings have impact on the interest rates charged by the lenders/Banks.
2. Higher credit rating means – the borrower is highly credit worthy – that he/it is in a comfortable position with regards to his/its business operations and will generate enough turnover/adequate cash flow/income/profit from the regular business, in the foreseeable future to be able to service the loan/debt without any default. -Since a higher credit rating means lower chances of 'default', banks charge lower rate of interest on such accounts.



3. The opposite is true as well. Where the credit rating is lower – the risk of the borrower defaulting is higher – which is why the banks charge higher rate of interest!
4. Thus from a borrower's point of view higher rating and lower interest is preferable! Whereas banks go for a break even on risk and return!
5. Thus if you are asked in an interview – how is credit rating and interest rate related – your answer should be – they are 'inversely related'! (Like a boss! And you can also explain it in brief – higher credit rating = lower interest rate!)

### 5. WHICH ARE THE CREDIT RATING AGENCIES?

In India the most popular credit rating agencies are:

- i. **CRISIL** – Credit Rating Information Services of India Ltd.  
HQ in Mumbai/ Subsidiary of Standard and Poor's
- ii. **CARE** – Credit Analysis and Research Limited  
HQ in Mumbai
- iii. **ICRA Ltd.** – Indian Credit Rating Agency Ltd.  
HQ in Gurgaon/ An Associate of Moody's
- iv. **India Ratings** – India Ratings and Research Pvt. Ltd.  
HQ in Mumbai.
- v. **Brickwork Ratings India Pvt. Ltd.**  
HQ in Bengaluru.
- vi. **SMERA – SME Ratings Ltd.** – set up for Micro, Small and Medium Enterprises.  
HQ in Mumbai.

*RBI allows the usage of ratings by these rating agencies for assigning Risk Weights in calculating 'Risk Weighted Assets'.*

*Important to also know – that in India the Credit rating agencies (CRA) are regulated by SEBI.*

Internationally there are:

- Standard and Poor's (New York, USA)
- Moody's (New York, USA)
- Fitch Group (dual HQ – London and New York)

### 6. WHAT ARE THE RATINGS? HOW ARE THEY DENOTED?

Credit rating agencies typically assign letter grades to indicate ratings.

For Long term loans the rating symbols are as follows:

- AAA – highest degree of safety – lowest credit risk

- AA – high degree of safety – low credit risk
- A – adequate degree of safety – low credit risk
- BBB – moderate degree of safety – moderate credit risk (the above four are 'Loan Worthy Ratings')
- BB – Moderate risk
- B – High risk
- C – Very High risk
- D – Default – they are already defaulting!

**For short term loans the rating symbols are as follows:**

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- A1 – strong degree of safety – lowest credit risk
- A2 – strong degree of safety – low credit risk
- A3 – moderate degree of safety – credit risk higher than A1 and A2
- A4 – minimal degree of safety – high credit risk
- D – Defaulting already and expected to default

## NPA - All you need to Know

### **1. WHAT ARE NPAs?**

NPA stands for Non-Performing Assets. Loans given by Banks are its assets. Banks have the right to receive the amount back from the loan taker – right? – thus, 'Loans and Advances' given by banks are their assets.

When such asset does not perform it becomes an NPA. Simple enough?!

### **2. WHAT IS MEANT BY LOANS/ASSETS NOT PERFORMING?**

When we talk from a Bank's point of view, what is a loan account supposed to do?

It is supposed to given the Bank regular instalments of principal and interest on such principal. Thus for a Bank, a loan account is 'functioning' or 'performing' its required task when it is regularly receiving credits of the instalment amounts.

When the credits stop – i.e., when the customer stops paying instalments – the loan account stops 'functioning or performing'.

### **3. AND WHEN DOES IT BECOME AN NPA?**

Such a non-performing loan account is 'officially' denoted or classified as NPA when the account has remained non-performing for a period of more than 90 days.

That is the loan account has not received any credit towards instalment (interest and/or principal) for more than 90 days – which automatically means – the **interest/principal** is **OVERDUE for a period more than 90 days**.

Guys, please note and remember the phrase, 'overdue for a period more than 90 days' – important to appreciate the word 'overdue'.

When you get October month's telephone bill (which you have to pay by 1<sup>st</sup> December 2014) in the first week of November, the amount is said to be due. When that amount of October month's telephone bill is still unpaid till January 2015 it is said to be overdue!

Same way - when instalment is 'overdue' only then do the Banks classifies them as NPAs. They give time till 90 days and wait and watch and even hope that the customer pays something – and when 90 days are up the account becomes an NPA automatically. So – overdue for more than 90 days.

#### **4. WHY DO THE BANKS 'HOPE' FOR THE CUSTOMER TO PAY BACK?**

Because, any asset becoming bad is the asset owner's loss, right?

Thus if a loan account goes bad – defunct – NPA – it is the Bank's loss!

And trust me the officers in charge of the loans and advances and the branch managers lose a lot of hair when audit season comes and they have to deal with large NPAs – not a good sight!

#### **5. WHAT HAPPENS WHEN ACCOUNTS BECOME NPA?**

First – it is the starting sign that things could get worse – I'll explain in the next point!

Bookishly though – the implications of an account being classified as an NPA are these:

**(i) Banks cannot credit income to their profit and loss account in with corresponding debit of the NPA loan account unless any recovery takes place.**

*Bank's income is the 'interest amount' it receives on loans – and Banks practice charging interest to the loan account and crediting their Profit and Loss account when the interest becomes 'due'. Since the loan account has become NPA, now the Banks cannot 'due' anymore interest charges.*

*Sort of like, after being classified as an NPA, the telephone company cannot send the customer anymore bills for due amount!*

*But if the customer pays 'any amount', i.e., after the loan amount becoming NPA, if the customer pays any amount to its credit – then such an amount can be taken as an income for the bank and credited to its P & L A/c.*

**(ii) Provision will have to be made – which reduces the banks profits.**

*Banking norms mandate that when there is possibility that loss can happen in future, provision for the loss is to be made in the present.*

*Think – if you had a child who’s very intelligent and ambitious and wants to go to USA to become an astronaut in future – you will need funds when the time comes.*

*So you start putting some money aside/provisioning for the future NASA astronaut from today – which means your saving/the real income is getting less today, because you made a provision for an expense/loss you think will most definitely happen in the future!*

*Same thing, the Banks now know that the customer has not paid for more than 90 days now – but what if the customer does not pay at all and the outstanding amount is Rs. 10,00,000!*

*It’s a Rs. 10,00,000 loss to the Bank in the future!*

*And according to provisioning norms, the Banks will have to create a provision for this ‘possible loss’ and provision is made against income (try to understand with the NASA example).*

*So this would mean that a Bank’s profits will become less due to the heavy provisioning on NPA accounts.*

*And when profits decrease – loan officers/ branch manager/ regional managers/ zonal managers all face the heat from GMs/AGMs/DGMs/MDs and the shareholders and the stock markets! Phew!*

**(iii) All the loan accounts of the same customer, in the other branches of the same bank will be classified as NPAs too (even if they are regular and instalments are being credited to them!)**

*Too bad, huh?*

*Imagine if a customer has loan accounts in 5 branches of the same bank and all are over crores – that is the real life scenario – ‘cause businesses take large loans. The bank gets NPAs in all those 5 accounts!*

*And there are many such customers!*

### **6. ASSET CLASSIFICATION?**

Asset classification, in other words loan classification, is an important thing to learn along with NPAs...exams may not have these, but it is a sure thing in interviews!

So this table for your pleasure reading!

Asset Classified as	% of Provisioning required	Period...	Important points
1. Standard Asset	Separate rates are prescribed for different types of loans such as 0.25%, 1%... <i>(why risk? Make a provision just in case they go wrong!)</i>	<i>Not applicable</i>	Are those assets which are ‘regular’ and have no defaulting in instalment payments – they are the good assets!

<p>2. Sub Standard Assets</p> <p><b>- Secured</b></p> <p><b>- Unsecured</b></p>	<p><b>- 15%</b></p> <p><b>- 25%</b></p>	<p>Has been classified as NPA for a period not exceeding 12 months</p>	<p>i.e., these accounts have spent 1 – 12 months after being classified as NPA and has remained NPA during the said period.</p> <p>Secured are those which are secured against any security/ECGC/DICGC...</p>
<p>3. Doubtful Assets</p> <p>which are doubtful</p> <p><b>- upto 1 year</b></p> <p><b>- above 1 year and upto 3 years</b></p> <p><b>- above 3 years</b></p>	<p><b>- 25%</b></p> <p><b>- 40%</b></p> <p><b>-100%</b></p>	<p>Are those assets which has remained sub-standard for more than 12 months</p>	<p>Thus, sub –standard is NPA from 1-12 months.</p> <p>Doubtful is sub-standard for more than 12 months.</p>
<p>4. Loss Assets</p>	<p>- 100%</p>	<p><i>Not applicable</i></p>	<p>Loss assets are those which have been ‘classified’ as loss assets by the Bank/Internal Auditors of the Bank/External or Statutory Auditors/RBI inspectors...</p>

## Mutual Fund - Concept and Structure

Mutual Fund is an investment plan wherein MF pools investors money to invest in pre-determined goals for capital appreciation.

### **Benefits of Mutual Funds**

- It's safe

- No need to stay updated with market movements
- Experts manages the investments
- Tax saving under section 80(c)
- Investors can invest in any investment option (For example it's not possible to invest 1 lac in a real estate project, mutual funds makes it possible)

### STRUCTURE OF A MUTUAL FUND

- Sponsor (Promoter)
- Trustees
- Asset Management Company
- Custodian
- R & T Agent
- Distributors

### SPONSOR

Sponsor is the promoter of mutual fund and get MF registered with SEBI. Sponsor forms a trust and appoints board of trustees.

#### Pre-requisites of a sponsor

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- Minimum 40% shareholding in AMC (Asset Management Company)
- Must have positive net worth in last 5 years
- Should be in financial services sector during past years from the date of registration

### TRUST

Trust is the owner of mutual fund. It protects the investors money. Trust acts as a watchdog and keeps an eye on investors money. There should be at least 4 trustees and 2/3 of the trustees should be independent.

Trust signs trust deed with Sponsor

### ASSET MANAGEMENT COMPANY

ASM pools and invests investor money in pre-stated objective for capital appreciation.

- In India AMC should be a private limited company
- Net worth should be at least 10 cr at all times
- At least 50% directors should be independent

### CUSTODIAN

- Custodian is appointed by Trust and it has the custody of assets of Mutual Fund.
- Sponsor and custodian can never be same

- Custodian should be registered with SEBI

### REGISTRAR AND TRANSFER AGENTS (RTA)

Maintains investors records and handles investors documents. It's not compulsory to appoint an RTA.

## List of Bank Slogans and Punchlines

### MULTINATIONAL BANK SLOGANS

Name of the Bank	Punch line
CITI Bank	Let's get it done
Standard Chartered Bank	Your Right Partner
HSBC Bank	The World's Local Bank
Royal Bank of Scotland	Make it happen
BNP Paribas	The bank for a changing world
JPMorgan Chase Bank	The right relationship is everything
Deutsche Bank	A passion to perform
Scotia Bank	You're richer than you think
American Express Bank	Do more
Barclays Bank	Fluent in finance
DBS Bank	Living, Breathing Asia

### INDIAN BANK SLOGANS

Bank Name	Bank Slogan
Allahabad Bank	A tradition of trust

## GK Digest November

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Andhra Bank	Much more to do. With YOU in focus
Bank of Baroda	India's International Bank
Bank of India	Relationships beyond Banking
Bank of Maharashtra	One Family One Bank
Bank of Rajasthan	Together we Prosper
Canara Bank	It's easy to change for those who you love, Together we Can
Central Bank of India	Build A Better Life Around Us, Central to you since 1911
Corporation Bank	Prosperity for all
Dena Bank	Trusted Family Bank
Federal Bank	Your Perfect Banking Partner
HDFC Bank	We Understand Your World
HSBC	World's Local Bank
ICICI Bank	"Hum Hai na..."
IDBI Bank	Banking for all; "Aao Sochein Bada"
Indian Bank	Taking Banking Technology to Common Man, Your Tech-friendly bank
Indian Overseas Bank	Good people to grow with
J & K Bank	Serving to Empower
Karur Vysya Bank	Smart way to Bank
Lakshmi Vilas Bank	The Changing Face of Prosperity
Oriental Bank of Commerce	Where every individual is committed
Punjab and Sindh Bank	Where series is a way of life



Punjab National Bank	The Name you can Bank Upon
State Bank of India	The Nation banks on us; Pure Banking Nothing Else; With you all the way
State Bank of Hyderabad	You can always bank on us
State Bank of Mysore	Working for a better tomorrow
State Bank of Patiala	Blending Modernity with Tradition
State Bank of Travancore	A Long Tradition of Trust
South Indian Bank	Experience Next Generation Banking
Syndicate Bank	Your Faithful And Friendly Financial Partner
The Economic Times	Knowledge is Power
UCO Bank	Honors Your Trust
Union Bank of India	Good people to bank with
United Bank of India	The Bank that begins with "U"
Vijaya Bank	A Friend You can Bank Upon
Yes Bank	Experience our expertise

### FDI limit in various sectors in India

Sector	FDI Limit
Agriculture	100%
Asset Reconstruction Companies	100%
Civil Aviation	100%
Commodity Exchanges	49%
Courier Services	100%
Credit Information Companies	74%
Defence	49%
Insurance	49%

Multi Brand Retail	51%
Pension	26%
Petroleum and Natural Gas	49%
Power Exchanges	49%
Print Media	49%
Private Sector Banks	100%
Public Sector Banks	20%
Single Brand Retail	49%
Special Economic Zones	100%
Stock Exchanges/Clearing Corporations	49%
Tea Plantation	100%
Telecom	100%
Tourism	100%

### National Sports Awards 2014

These awards are announced every year on 29th August on the birthday of legendary hockey wizard Shri Dhyan Chand, which is observed as National Sports Day.

#### **DHYAN CHAND AWARDS (FOR LIFETIME ACHIEVEMENT)**

Name	Discipline
Gurmail Singh	Hockey
K.P. Thakkar	Swimming (Diving)
Zeeshan Ali	Tennis

#### **DRONACHARYA AWARDS (FOR COACHES)**

Name	Discipline
Mahabir Prasad	Wrestling
N. Lingappa	Athletics – Lifetime
G. Manoharan	Boxing – Lifetime
Gurcharan Singh Gogi	Judo – Lifetime
Jose Jacob	Rowing - Lifetime

#### **ARJUNA AWARDS**

Name	Discipline
Abhishek Verma	Archery
Tintu Luka	Athletics
H.N. Girisha	Para-Athletics
V. Diju	Badminton
Geetu Anna Jose	Basketball
Jai Bhagwan	Boxing
R. Ashwin	Cricket
Anirban Lahiri	Golf

Mamta Pujari	Kabaddi
Saji Thomas	Rowing
Heena Sidhu	Shooting
Anaka Alankamony	Squash
Tom Joseph	Volleyball
Renu Bala Chanu	Weightlifting
Sunil Kumar Rana	Wrestling

### TENZING NORGAY AWARDS 2013

Name	Discipline
Subedar Jagat Singh	Land Adventure
Passang Tenzing Sherpa	Land Adventure
MWO Surender Singh	Air Adventure
Wing Commander (Retd.) Amit Chowdhury	Life Time Achievement

## Indian Honours and Awards System

### List of awards in India

#### CIVILIAN AWARD

Award type	Award name
<b>(A) International Award</b>	<ol style="list-style-type: none"> <li>1. Gandhi Peace Prize</li> <li>2. Indira Gandhi Peace Prize</li> <li>3. Tagore Award For Cultural Harmony</li> </ol>
<b>(B) National Award</b>	<ol style="list-style-type: none"> <li>1. Bharat Ratna (Highest)</li> <li>2. Padma Vibhusan</li> <li>3. Padma Bhushan</li> <li>4. Padma Sri</li> <li>5. Stree Shakti Purakshar</li> <li>6. National Bravery Award</li> <li>7. National Children Award for Exceptional Achievement</li> </ol>
<b>(C) Central Award</b>	<ol style="list-style-type: none"> <li>1. Mahapandit Rahul Sankrityayan Award</li> <li>2. Ganga Sharan Award</li> <li>3. Ganesh Hindi Vidyarthi Award</li> <li>4. Aatma Ram Award</li> <li>5. Subramanya Bharathi Award</li> <li>6. George Grierson Award</li> <li>7. Moturi Satyanarayan Award</li> </ol>

<b>(D) By Field</b>	<b>Literature</b>	1. Jnanpith Award 2. Sahitya Akademi Fellowship 3. Sahitya Akademi Award
	<b>Cinema</b>	1. Dadasaheb Phalke Award 2. National Film Awards
	<b>Other Arts</b>	1. Sangeet Natak Akademi Fellowship 2. Sangeet Natak Akademi Award 3. Lalit Kala Akademi Fellowship
	<b>Sports</b>	1. Rajiv Gandhi Khel Ratna Award 2. Arjuna Award 3. Dronacharya Award 4. Dhyan Chand Award
	<b>Science &amp; Technology</b>	1. Shanti Swarup Bhatnagar Prize for Science and Technology 2. Kalinga Prize
	<b>Blog</b>	1. Parikalpna Award
	<b>Medical</b>	1. Dr. B. C. Roy Award

### MILITARY AWARD

Award type	Award name
<b>(A) Wartime</b>	1. Param Vir Chakra 2. Maha Vir Chakra 3. Vir Chakra
<b>(B) Wartime Distinguished Service</b>	1. Sarvottam Yudh Seva Medal 2. Uttam Yudh Seva Medal 3. Yudh Seva Medal
<b>(C) Peacetime</b>	1. Ashoka Chakra 2. Kirti Chakra 3. Shaurya Chakra
<b>(D) Peacetime Distinguished Service</b>	1. Param Vishisht Seva Medal 2. Ati Vishisht Seva Medal 3. Vishisht Seva Medal

<b>(E) Wartime / Peacetime Service &amp; Gallantry</b>	<ol style="list-style-type: none"> <li>1. Sena Medal (Army)</li> <li>2. Nausena Medal (Navy)</li> <li>3. Vayusena Medal (Air Force)</li> </ol>
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### Father of Various Fields / Sciences

Father / Mother and Field	Name
Agriculture	Dr.Norman Borlaug
Air Conditioning	Willis Carrier
Algebra	Brahmagupta, Al-Khawarizmi
Architecture	Imhotep
Ayurveda	Charaka
Basket Ball	James Naismith
Biology	Aristotle
Botany	Theophrastus
Compact Disk	Kees Immink
Computer Science	George Boole, Alan Turing
Computing	Charles Babbage
Economics	Adam Smith
Electricity	Benjamin Franklin
Electronics	Ray Tomlinson
Geometry	Euclid
Geography	Eratosthenes
Geology	James Hutton
Helicopter	Igor Sikorsky
History	Herodotus
Ice Hockey	James Creighton
Internet	Vinton Cerf
Jet Engine	Frank Whittle
Law	Cicero
Mechanics	Isaac Newton
Mobile Phone	Martin Cooper
Number Theory	Pythagoras
Philosophy	Thales
Physics	Albert Einstein
Physiology	Claude Bernard
Telephone	Alexander Graham Bell
Wi-Fi	Vic Hayes

### List of Companies and Their CEO in India

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Company	CEO
Adani Group	Chairman, Gautam Adani
Aditya Birla Group	Dr.Santrupt Misra
Air India	Rohit Nandan
Allahabad Bank	Rakesh Sethi
Amazon.com	Jeff Bezos
Ambuja Cements	Ajay Kapur
Amul	R.S. Sodhi
Andhra Bank	Sri C.V.R. Rajendran
Apollo Hospitals	Preetha Reddy
Apple Inc.	Tim Cook
Ashok Leyland	Vinod K. Dasari
Asian Paints	K.B.S. Anand
Axis Bank Ltd.	Shikha Sharma
Bajaj Auto	Rajiv Bajaj
Bank of Baroda	S.S. Mundra
Bank of India	Vijayalaksmi R. Iyer
Bharat Heavy Electricals Limited (BHEL)	B. Prasada Rao
Bharat Petroleum	S. Varadarajan
Bharat Sanchar Nigam Limited (BSNL)	R.K. Upadhyay
Bharti Enterprises	Sunil Bharti Mittal
Bombay Dyeing	Debashis H. Poddar
Canara Bank	Rajiv Kishore Dubey
CIPLA	Subhanu Saxena
Dena Bank	Ashwani Kumar
DLF	T.C. Goyal
Federal Bank	Shyam Srinivasan
Flipkart	Sachin Bansal
GAIL	B.C. Tripathi
HCL Technologies	Anant Gupta
HDFC Bank	Aditya Puri
Hero Motocorp	Pawan Munjal
ICICI Bank	Chanda Kochhar
IDBI Bank	M.S. Raghavan
Idea Cellular Ltd.	Himanshu Kapania
Indian Overseas Bank	M. Narendra
Infosys Technologies	Vishal Sikka
Jet Airways	Cramer Ball
Jindal Steel	Ravi Uppal
Karbons Mobiles	Pradeep Jain
Kingfisher Airlines	Sanjay Aggarwal
Kotak Mahindra Bank	Uday Kotak
Larsen & Toubro	K. Venkataramanan
Mahanagar Telephone Nigam Limited (MTNL)	A.K. Garg
Mahindra & Mahindra	Anand Mahindra

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Maruti Suzuki	Kenichi Ayukawa
Micromax Mobile	Vineet Taneja
NDTV	Vikram Chandra
Oil and Natural Gas Corporation	Dinesh K. Sarraf
Punjab National Bank	K.R. Kamath
Reliance Industries	Mukesh Ambani
Royal Enfield	Balakrishnan Govindarajan
Snapdeal	Kunal Bahl
South Indian Bank	Dr.V.A. Joseph
Spice Jet	Sanjiv Kapoor
State Bank of India	P. Pradeep Kumar
Steel Authority of India Limited (SAIL)	Chandra Shekar Verma
Sun Pharmaceutical Industries Limited	KalyanaSundaram Subramanian
Tata Communications	Vinod Anand Kumar
Tata Sky	Harit Nagpal
Tata Steel	T.V. Narendran
Trade India	Bikky Khosla
TVS Motor Company	K.N. Radhakrishnan
UCO Bank	Arun Kaul
Videocon	Venugopal Dhoot
Wipro	T.K. Kurien
Yatra.com	Dhruv Shringi
Yes Bank	Rana Kapoor

## States of India - Capital, CM, Governor and Demographics

List of states in India with demographics :-

State	Capital	CM	Literacy Rate	Governor	Population Density	Borders
Andhra Pradesh	Vijaywada, Hyderabad	N.Chandrababu Naidu	67.66%	ESL Narasimhan	308 km sq	Maharashtra, Chhattisgarh, Odisha, Tamil Nadu, Karnataka, Telangana
Arunachal Pradesh	Itanagar	Nabam Tuki	66.96%	Lt. Gen Nirbhay Sharma	17 per km. sq	Assam, Nagaland
Assam	Dispur	Tarun Gogoi	73.18%	Janaki Ballabh Patnaik	397 per km. sq	Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland,

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						Tripura
Bihar	Patna	Jitan Ram Manji	63.82%	Dnyandeo Yashwantrao Patil	1102 per km. sq	Jharkhand, Uttar Pradesh, West Bengal
Chhattisgarh	Raipur	Raman Singh	71.04%	Balramji Das Tandon	190 per km. sq	Andhra Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Uttar Pradesh
Goa	Panaji	Manohar Parrikar	88.70%	Mridula Sinha	390 per km.	Maharashtra, Karnataka
Gujarat	Gandhinagar	Anandiben Patel	80.18%	Om Prakash Kohli	310 per km.	Rajasthan, Maharashtra, Madhya Pradesh
Haryana	Chandigarh	Bhupinder Singh Hooda	76.64%	Kaptan Singh Solanki	573 per km. sq	Punjab, Himachal, Rajasthan
Himachal Pradesh	Shimla	Virbhadra Singh	83.78%	Urmila Singh	123 per km. sq	Jammu and Kashmir, Punjab, Haryana
Jammu and Kashmir	Jammu (Winter) Srinagar (Summer)	Omar Abdullah	66.7%	Narinder Nath Vohra	56 per km. sq	Himachal Pradesh, Punjab
Jharkhand	Ranchi	Hemant Soren	67.6%	Syed Ahmed	414 per km. sq	Uttar Pradesh, Chhattisgarh, Odisha, West Bengal
Karnataka	Bengaluru	Siddaramaiah	75.60%	Vajubhai Vala	320 per km. sq	Goa, Maharashtra, Andhra Pradesh, Tamil Nadu, Kerela
Kerela	Thiruvananthapuram	Oommen Chandy	93.91%	P. Sathasivam	860 per km. sq	Karnataka, Tamil Nadu
Madhya Pradesh	Bhopal	Shivraj Singh Chauhan	70.60%	Ram Naresh Yadav	236 per km. sq	Uttar Pradesh, Chhattisgarh, Gujarat, Rajasthan
Maharashtra	Mumbai	President's Rule	82.9%	Ch. Vidyasagar	370 per km. sq	Gujarat, Madhya



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				Rao		Pradesh, Chhattisgarh, Karnataka, Andhra Pradesh, Goa
Manipur	Imphal	Okram Ibobi Singh	79.21%	Vinod Duggal	120 per km. sq	Nagaland, Mizoram, Assam
Meghalaya	Shillong	Mukul Sangma	75.84%	K.K. Paul	130 per km. sq	Assam
Mizoram	Aizawl	Pu Lalthanhawla	91.58%	Vinod Kumar Duggal	52 per km. sq	Assam, Manipur, Tripura
Nagaland	Kohima	T.R. Zeliang	80.11%	Padmanabha Acharya	119 per km. sq	Arunachal Pradesh, Assam, Manipur
Odisha	Bhubaneswar	Naveen Patnaik	73.45%	S.C. Jamir	270 per km. sq	Chhattisgarh, Andhra Pradesh, Jharkhand, West Bengal
Punjab	Chandigarh	Parkash Singh Badal	76.68%	Shivraj Patil	550 per km. sq	Himachal Pradesh, Haryana, Jammu and Kashmir, Rajasthan
Rajasthan	Jaipur	Vasundhara Raje	68%	Kalyan Singh	201 per km. sq	Gujarat, Haryana, Punjab
Sikkim	Gangtok	Pawan Chamling	82.2%	Shriniwas Dadasaheb Patil	86 per km. sq	West Bengal
Tamil Nadu	Chennai	O. Paneerselvam	80.33%	Konijeti Rosaiah	479 km sq	Kerala, Karnataka, Andhra Pradesh
Telangana	Hyderabad	Kalvakuntla Chandrashekar Rao	66.50%	ESL Narasimhan	310 per km. sq	Andhra Pradesh, Karnataka
Tripura	Agartala	Manik Sarkar	87.75%	Padmanabha Acharya	350 per km. sq	Assam, Mizoram
Uttar Pradesh	Lucknow	Akhilesh Yadav	67.68%	Ram Naik	820 per km. sq	Bihar, Chhattisgar, Haryana, Jharkhand
Uttarakhand	Dehradun	Harish Rawat	79.63%	Aziz Qureshi	189 per km. sq	Uttar Pradesh, Himachal

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						Pradesh
West Bengal	Kolkata	Mamata Banerjee	77.08%	Keshari Nath Tripathi	1000 per km. sq	Odisha, Jharkhand, Bihar, Sikkim

### List of Committees in India

List of committees and their working. List is important for general awareness section of IBPS PO and SSC CGL

Committees	Working
NR Madhawan Menon	To prevent misuse of public funds by Govt. and its authority by providing advertisement in newspaper and TV, MB
MB Shah	SIT on Black Money
Arvind Mayaram Committee	To define FDI and FII
Bimal Jalan Committee	To scrutinise application for new bank license
M Damodaran Committee	Business climate in India, customer service in Bank
Justice RC Gandhi	Kishtwar Riots
Justice Prashant Mishra	Chattisgarh (Dharba) attack by Moist
Y H Melagam	Microfinance Institutions
Mr.Naresh Chandra	High level task force on review of defence preparedness, Justice M B Shah Commission illegal mining
Justice Mutum B K Singh	Assam Riots
Dharmadhikari Committee	On the merger of Air India and Indian Airlines (on promotion and payscales)
V K Sunglu	Irregularities in CWG 2010
P C Chacko	JPC on 2G Scam
Committee on GARR	For guidelines and norms
Mr.Parthasarathi Shome, Ashok Chawla Committee	Recommendation on the allocation of natural resources
Mr.Shivraj V. Patil	One man panel on way and procedure on allocation of 2G spectrum
Mr. H R Hasim	Identification of Urban Poors
B N Srikrishna	Telangana Issue
M. Damodaran	Customer service in Banks
Phone hacking scam in UK	Justice Brian Leveson
Mr.M K Gupta	Head of study team on Common Tax Code for Service Tax and Excise Tax under GST

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S K Thorat Panel	Cortoon Controversies Anti Hindi Agitation and cartoons on Ambedkar
A P Shah Committee	Revolt agains the nuclear reactor in Kundankulam
Anil Swaroop Panel	To identity and help to restart stalled projects
Saradha Group Chit Fund Co. Cheating Justice Shyamal Sen Justice J S Verma	Women safety/violence on women
Mr.Arun S. Nigavekar Committee	UPSC Pattern Change
Rakesh Mohan Committee	Financing of Infrastructure
M V Nair Committee	On Priority Sector Lending, Chairman of Commission of ISRO Scam: Mr.B.K. Chaturvedi, Committee Head of Railway safety: Mr.Anil Kakodar, Mr.U K Sinha: Foreign Investment in India
Deepak Mohanty Committee	For change of BPLR to Base Rate, Ms.Syamala Gopinath: Committee on Small Savings

### Important Indian Organizations and their Heads

List of important organization India and their heads.

This list is very important for all banking exams.

Sr	Head	Organization
1.	Mohd.Hamid Ansari	Chairman, Rajya Sabha
2.	Sumitra Mahajan	Chairperson of Lok Sabha
3.	Narendra D Modi	Chairman, Planning Commission
4.	Gulam Nabi Azad	Leader of Opposition in Rajya Sabha
5.	Narendra D Modi	Leader of House in Lok Sabha
6.	Mallikarjun Kharge	Leader of Congress in Lok Sabha
7.	V. Sampath	Chief Election Commissioner
8.	Syed Nasim Ahmed Zaidi	Election Commissioner
9.	Harisanker Brahma	Election Commissioner
10.	Pradeep Kumar	Chief Vigilance Commissioner
11.	Sujatha Singh	Foreign Secretary
12.	Shashi Kant Verma	Comptroller & Auditor General of India
13.	Jus. Vangala Eswaraiyah	Chairman, National Commission for Backward Classes
14.	Rahul Khullar	Chairman, Telecom Regulatory Authority of India
15.	Ranjit Sinha	CBI Director
16.	Rameshwar Oran	Chairman, National Commission for Scheduled Tribes
17.	Naseem Ahmed	Chairperson, National Commission for Minorities

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18.	Rajni Razdan	Chairman, UPSC
19.	Sharad Kumar	Director General, National Investigation Agency
20.	Ved Prakash	Chairman, UGC
21.	K. Radhakrishnan	Chairman, Space Commission and ISRO
22.	R.K. Sinha	Chairman, Atomic Energy Commission and Sec. Deptt. of Atomic Energy
23.	A. Bhattacharya	Chairman, SSC
24.	K.G. Balakrishnan	Chairman, Human Rights Commission
25.	C. Chandramouli	Registrar General of India and Census Commissioner
26.	K.V.Choudhary	Central Board of Direct Taxes
27.	T.S. Vijayan	Chairman, Insurance Regulatory Development Authority
28.	U.K. Sinha	Chairman, Securities & Exchange Board of India
29.	Arundhati Bhattacharya	Chairperson, State Bank of India
30.	S.K. Roy	Managing Director, LIC
31.	Ashoke Kumar Mukherjee	India's permanent representative in UNO
32.	Nirupam Sen	Spl. Sr. Advisor to President of UN General Assembly
33.	Mamta Sharma	Chairperson of National Commission for Women
34.	Y.V. Reddy	Chairman, 14 <sup>th</sup> Finance Commission
35.	Ashok Chawla	Chairman, Competition Commission of India
36.	Leela Samson	Chairperson, Central Board of Film Certification
37.	Rana Kapoor	President, ASSOCHAM
38.	R. Chandrasekhar	Chairman, NASSCOM
39.	R. Chandrashekhar	President, NASSCOM
40.	Alok Joshi	Director General, RAW
41.	Amole Gupte	Chairperson, Children Film Society of India
42.	S. Banerjee	Director, Bhabha Atomic Research Centre
43.	Ajay S. Shriram	President, CII
44.	Siddhartha Birla	President, FICCI
45.	Sam Pitroda	Chairman, National Knowledge Commission
46.	Ramesh Sippy	Chairman, National Film Development Corporation
47.	Mrinal Pande	Chairperson, Prasar Bharati
48.	Ratan Tata	Chairman, Investment Commission
49.	Avinash Chander	Scientific advisor to PM and Head DRDO
50.	Jawhar Sircar	Chairman, Prasar Bharati
51.	T.M.Basin	Chairman, Indian Banks Association
52.	Rajeev Mathur	Chief Information Commissioner
53.	Prof. Parvin Sinclair	Director, NCERT
54.	Ajit Doval	National Security Advisor

### List of Stock Indices in the World

A Stock index is a weighted average of selected stocks which depicts the trends in stock market.

List of important stock indices in the world. General questions are asked about which index is from which country. In brackets you can find number of stock in the index.

Country	Stock Indices
United States of America	Dow (30), Nasdaq (100), S&P (500),
Australia	S&P/ASX200 (200), All ORDS (500)
Belgium	Bel 20 (20), AEX (25), CAC 40 (40)
Brazil	Bovespa (450), FTSE 100 (100)
Canada	S&P/TSX (60),
China	SSE (932)
Denmark	OMXC20 (20),
Egypt	Case 30 (30)
South Africa	Johannesburg All Share Index (472)
Hong Kong	Hang Seng (48)
India	BSE SENSEX 30 (30), CNX Nifty (50)
Indonesia	JSX (462)
Japan	Nikkei 225 (225)
Malaysia	FTSE Bursa Malaysia Index (30)
New Zealand	NZX 50 (50)
Pakistan	KSE 100 (100)
Philippines	PSEi Index
South Korea	KOSPI (100)
Taiwan	TSEC (809)
Czech Republic	PX Index (50)
Finland	OMX Helsinki 25 (25)
France	CAC 40 (40)
Ireland	ISEQ 20 (20)
Italy	S&P/MIB Index
Netherlands	AEX Index (25)
Spain	IBEX 35 (35)
Sweden	OMX Stockholm 30 (30)
Switzerland	Swiss Market Index (SMI) (20)
Israel	TA-25 (25)
Oman	MSM 30 (30)
Argentina	MERVAL
Mexico	Indice de Precios v Cotizaciones (IPC)
England	FTSE 100 (100), FTSE 250 (250), FTSE 350 (350), FTSE All share (627)

## Types of Foreign Currency Accounts

One of the important questions asked in bank interviews and banking awareness section of various banking exams is about types of Foreign currency accounts.

### TYPES OF FOREIGN CURRENCY ACCOUNTS

#### NOSTRO ACCOUNT

NOSTRO Account means **OUR account with YOU** in Italian.

If SBI maintained an account with a bank abroad, say Standard Chartered, New York, in dollars – it'll be known as a Nostro account.

So, it's SBI's account with/in Standard Chartered Bank (NY) in their local currency, which is dollars.

#### VOSTRO ACCOUNT

VOSTRO Account means **YOUR account with US**.

If Standard Chartered Bank (NY) had an account with SBI (Mumbai), in our local currency that is

Rupees, then this account of Standard Chartered will be called as Vostro Account by SBI (Mum)!

For Standard Chartered (NY), it'll be a Nostro Account – because for them SBI (Mum) is a foreign bank, in a foreign country and rupees will be foreign currency!

Just give it a twirl – these concepts and it should be clear!

#### LORRO ACCOUNT

LORRO Account: **THEIR account with THEM!**

If a 3rd party bank, in our case, say PNB, wanted to make some foreign currency transaction in \$ – but it does not have a Nostro account/or, it does not have enough balance in its Nostro account – what can it do?

Since, SBI has Nostro account with Standard Chartered (NY and in \$), it can ask for SBI's help and use the \$ in this account to conduct its transaction successfully.

So in effect PNB is using SBI's (THEIR) foreign currency account to transact with Standard Chartered (THEM)!

I hope these three terms are clear to you; pretty important from banking exam/interview point of view – I was asked in one interview and I knew!

## Popular Army Operations in World

Important army operations in World, questions related to these army operations are generally asked in banking exams.

Operations	Working
Operation Lakshya	LPG-Identification and proof of residence
Operation X	Execution process of Azmal Amir Kasab, Army exercise of India and Maldives
Malabar 2012	Indo-US Naval Exercise
Operation Shady Rat	Cyber Attack all over the World Org.
Operation Odyssey Dawn	U S on Libya
Operation Geronima	To kill the Osama Bin Laden
IndiaEX 2012	India and USA Naval Exercises related to Rescuing and Diving of submarines
Operation Leghorn	India China War 1962

SLINEX II	Indo Sri Lanka Navy Exercise
DOSTI XI	India Sri Lanka and Maldives joint Coast Guard/Naval Exercises
Operation Green Hunt	To search Naxalites (Moist)
Indra 2012	Military exercises of India and Russia the Indra series was started in 2003 it was 5 <sup>th</sup> .
IND-INDO Corpat	India and Indonesia joint Naval Exercises
Tropex	Indian Navy, Combat Exercises in the Bay of Bengal with the help of Rukmani
Sahyog-Kaijin-XI	Indo Japan Joint Exercise of Coast Guards
Garuda Shiedl	It's a Defence Exercise in Indonesia for UN Peace support Operation in Bandung (Indonesia) the key participants are India, USA and Indonesia.
Shoorveer	Indian Army War Game Exercise in Thar Deserts
COPE-09	Indo-US Joint Army Exercise
Varuna	A code name given to the joint naval exercise of India and France
Konkan	A Naval Exercise between India and UK
Ekuverin 2012: Naseem Al Bahr	Naval Exercise of India and Oman
Hand in Hand	India China Military Exercise
Operation Twist	In USA it is a measure to bring the long term interest to lower rate by buying the long term bonds and selling short term treasuries.
Operation-e-Nuh	Rescue of Crew of M V Suez from the Somalian Pirate
Peace Mission 2013	Russia and China's anti terrorist war game
Operation Rahat	Rescue operation of IAF in Uttarakhand devastation.

## Banking Terms from A to Z

**Account Agreement:** The contract governing your open-end credit account, it provides information on changes that may occur to the account.

**Account History:** The payment history of an account over a specific period of time, including the number of times the account was past due or over limit.

**Account Holder:** Any and all persons designated and authorized to transact business on behalf of an account. Each account holder's signature needs to be on file with the bank. The signature authorizes that person to conduct business on behalf of the account.

**Acquiring Bank:** In a merger, the bank that absorbs the bank acquired.

**Accrued interest:** Interest due from issue date or from the last coupon payment date to the settlement date.

Accrued interest on bonds must be added to their purchase price.

**Adjustable-Rate Mortgages (ARMS):** Also known as variable-rate mortgages. The initial interest rate is usually below that of conventional fixed-rate loans. The interest rate may change over the life of the loan as market conditions change. There is typically a maximum (or ceiling) and a minimum (or floor) defined in the loan agreement. If interest rates rise, so does the loan payment. If interest rates fall, the loan payment may as well.

**Arbitrage:** Buying a financial instrument in one market in order to sell the same instrument at a higher price in another market.

**Adverse Action:** Under the Equal Credit Opportunity Act, a creditor's refusal to grant credit on the terms requested, termination of an existing account, or an unfavorable change in an existing account.

**Adverse Action Notice:** The notice required by the Equal Credit Opportunity Act advising a credit applicant or existing debtor of the denial of their request for credit or advising of a change in terms considered unfavorable to the account holder.

**AER:** Annual earnings rate on an investment.

**Affidavit:** A sworn statement in writing before a proper official, such as a notary public.

**Alteration:** Any change involving an erasure or rewriting in the date, amount, or payee of a check or other negotiable instrument.

**Amortization:** The process of reducing debt through regular installment payments of principal and interest that will result in the payoff of a loan at its maturity.

**Anytime Banking:** With introduction of ATMs, Tele-Banking and internet banking, customers can conduct their business anytime of the day and night. The 'Banking Hours' is not a constraint for transacting banking business.

**Anywhere Banking :** Refers to banking not only by ATMs, Tele-Banking and internet banking, but also to core banking solutions brought in by banks where customer can deposit his money, cheques and also withdraw money from any branch connected with the system. All major banks in India have brought in core banking in their operations to make banking truly anywhere banking.

**Annual Percentage Rate (APR):** The cost of credit on a yearly basis, expressed as a percentage.

**Annual Percentage Yield (APY):** A percentage rate reflecting the total amount of interest paid on a deposit account based on the interest rate and the frequency of compounding for a 365-day year.

**Annuity :** A life insurance product which pays income over the course of a set period. Deferred annuities allow assets to grow before the income is received and immediate annuities (usually taken from a year after purchase) allow payments to start from about a year after purchase.

**APR:** The annual percentage rate of interest, usually on a loan or mortgage, usually displayed in brackets and representing the true cost of the loan or mortgage as it shows any additional payments beyond the interest rate.

**Application:** Under the Equal Credit Opportunity Act (ECOA), an oral or written request for an extension of credit that is made in accordance with the procedures established by a creditor for the type of credit requested.

**Appraisal:** The act of evaluating and setting the value of a specific piece of personal or real property.

**Ask Price:** The lowest price at which a dealer is willing to sell a given security.

**Asset-Backed Securities (ABS):** A type of security that is backed by a pool of bank loans, leases, and other assets. Most ABS are backed by auto loans and

credit cards – these issues are very similar to mortgage-backed securities.

**At-the-money:** The exercise price of a derivative that is closest to the market price of the underlying instrument.

**ATM:** ATMs are Automatic Teller Machines, which do the job of a teller in a bank through Computer Network. ATMs are located on the branch premises or off branch premises. ATMs are useful to dispense cash, receive cash, accept cheques, give balances in the accounts and also give mini-statements to the customers.

**Authorization:** The issuance of approval, by a credit card issuer, merchant, or other affiliate, to complete a credit card transaction.

**Automated Clearing House (ACH):** A computerized facility used by member depository institutions to electronically combine, sort, and distribute inter-bank credits and debits. ACHs process electronic transfers of government securities and provided customer services, such as direct deposit of customers' salaries and government benefit payments (i.e., social security, welfare, and veterans' entitlements), and preauthorized transfers.

**Automated Teller Machine (ATM):** A machine, activated by a magnetically encoded card or other medium that can process a variety of banking transactions. These include accepting deposits and loan payments, providing withdrawals, and transferring funds between accounts.

**Automatic Bill Payment:** A checkless system for paying recurring bills with one authorization statement to a financial institution. For example, the customer would only have to provide one authorization form/letter/document to pay the cable bill each month. The necessary debits and credits are made through an Automated Clearing House (ACH).

**Availability Date:** Bank's policy as to when funds deposited into an account will be available for withdrawal.

**Availability Policy:** Bank's policy as to when funds deposited into an account will be available for withdrawal.

**Available Balance:** The balance of an account less any hold, uncollected funds, and restrictions against the account.

**Available Credit:** The difference between the credit limit assigned to a cardholder account and the present balance of the account.



**Banking:** Accepting for the purpose of lending or investment of deposits of money from Public, Repayable on demand or otherwise and withdraw able by cheques, drafts, order, etc.

**Bank Ombudsman:** Bank Ombudsman is the authority to look into complaints against Banks in the main areas of collection of cheque / bills, issue of demand drafts, non-adherence to prescribed hours of working, failure to honour guarantee / letter of credit commitments, operations in deposit accounts and also in the areas of loans and advances where banks flout directions / instructions of RBI. This Scheme was announced in 1995 and is functioning with new guidelines from 2007. This scheme covers all scheduled banks, the RRBs and co-operative banks.

**Bancassurance:** Bancassurance refers to the distribution of insurance products and the insurance policies of insurance companies which may be life policies or non-life policies like home insurance - car insurance, medi-policies and others, by banks as corporate agents through their branches located in different parts of the country by charging a fee.

**Banker's Lien:** Bankers lien is a special right of lien exercised by the bankers, who can retain goods bailed to them as a security for general balance of account. Bankers can have this right in the absence of a contract to the contrary.

**Basel-II:** The Committee on Banking Regulations and Supervisory Practices, popularity known as Basel Committee, submitted its revised version of norms in June, 2004. Under the revised accord the capital requirement is to be calculated for credit, market and operational risks. The minimum requirement continues to be 8% of capital fund (Tier I & II Capital) Tier II shall continue to be not more than 100% of Tier I Capital.

**Brick & Mortar Banking:** Brick and Mortar Banking refers to traditional system of banking done only in a fixed branch premises made of brick and mortar. Now there are banking channels like ATM, Internet Banking, tele banking etc.

**Business of Banking :** Accepting deposits, borrowing money, lending money, investing, dealing in bills, dealing in Foreign Exchange, Hiring Lockers, Opening Safe Custody Accounts, Issuing Letters of Credit, Travelers' Cheques, doing Mutual Fund business, Insurance Business, acting as Trustee or doing any other business which Central Government may notify in the official Gazette.

**Bouncing of a cheque:** Where an account does not have sufficient balance to honour the cheque issued by

the customer, the cheque is returned by the bank with the reason "funds insufficient" or "Exceeds arrangement". This is known as 'Bouncing of a cheque'.

**Basis Point:** One hundredth of 1%. A measure normally used in the statement of interest rate e.g., a change from 5.75% to 5.81% is a change of 6 basis points. Bear Markets: Unfavorable markets associated with falling prices and investor pessimism.

**Bid-ask Spread:** The difference between a dealers' bid and ask price.

**Bid Price:** The highest price offered by a dealer to purchase a given security.

**Blue Chips:** Blue chips are unsurpassed in quality and have a long and stable record of earnings and dividends. They are issued by large and well-established firms that have impeccable financial credentials.

**Bond:** Publicly traded long-term debt securities, issued by corporations and governments, whereby the issuer agrees to pay a fixed amount of interest over a specified period of time and to repay a fixed amount of principal at maturity.

**Book Value:** The amount of stockholders' equity in a firm equals the amount of the firm's assets minus the firm's liabilities and preferred stock.

**Broker:** Individuals licensed by stock exchanges to enable investors to buy and sell securities.

**Brokerage Fee:** The commission charged by a broker.

**Bull Markets:** Favorable markets associated with rising prices and investor optimism.

**Call Option:** The right to buy the underlying securities at a specified exercise price on or before a specified expiration date.

**Callable Bonds:** Bonds that give the issuer the right to redeem the bonds before their stated maturity.

**Capital Gain:** The amount by which the proceeds from the sale of a capital asset exceed its original purchase price.

**Capital Markets:** The market in which long-term securities such as stocks and bonds are bought and sold.

**Certificate of Deposits (CDs):** Savings instrument in which funds must remain on deposit for a specified period and premature withdrawals incur interest penalties.

**Certificate of Deposit:** Certificate of Deposits are negotiable receipts in bearer form which can be freely traded among investors. This is also a money market instrument, issued for a period ranging from 7 days to f

one year .The minimum deposit amount is Rs. 1 lakh and they are transferable by endorsement and delivery.

**Cheque:** Cheque is a bill of exchange drawn on a specified banker ordering the banker to pay a certain sum of money to the drawer of cheque or another person. Money is generally withdrawn by clients by cheques. Cheque is always payable on demand.

**Cheque Truncation:** Cheque truncation truncates or stops the flow of cheques through the banking system. Generally truncation takes place at the collecting branch, which sends the electronic image of the cheques to the paying branch through the clearing house and stores the paper cheques with it.

**Closed-end (Mutual) Fund:** A fund with a fixed number of shares issued, and all trading is done between investors in the open market. The share prices are determined by market prices instead of their net asset value.

**Collateral:** A specific asset pledged against possible default on a bond. Mortgage bonds are backed by claims on property. Collateral trusts bonds are backed by claims on other securities. Equipment obligation bonds are backed by claims on equipment.

**Commercial Paper:** Short-term and unsecured promissory notes issued by corporations with very high credit standings.

**Common Stock:** Equity investment representing ownership in a corporation; each share represents a fractional ownership interest in the firm.

**Compound Interest:** Interest paid not only on the initial deposit but also on any interest accumulated from one period to the next.

**Contract Note:** A note which must accompany every security transaction which contains information such as the dealer's name (whether he is acting as principal or agent) and the date of contract.

**Controlling Shareholder:** Any person who is, or group of persons who together are, entitled to exercise or control the exercise of a certain amount of shares in a company at a level (which differs by jurisdiction) that triggers a mandatory general offer, or more of the voting power at general meetings of the issuer, or who is or are in a position to control the composition of a majority of the board of directors of the issuer.

**Convertible Bond:** A bond with an option, allowing the bondholder to exchange the bond for a specified number of shares of common stock in the firm. A conversion price is the specified value of the shares for which the bond may be exchanged. The conversion premium is the excess of the bond's value over the conversion price.

**Corporate Bond:** Long-term debt issued by private corporations.

**Coupon:** The feature on a bond that defines the amount of annual interest income.

**Coupon Frequency:** The number of coupon payments per year.

**Coupon Rate:** The annual rate of interest on the bond's face value that a bond's issuer promises to pay the bondholder. It is the bond's interest payment per dollar of par value.

**Covered Warrants:** Derivative call warrants on shares which have been separately deposited by the issuer so that they are available for delivery upon exercise.

**Credit Rating:** An assessment of the likelihood of an individual or business being able to meet its financial obligations. Credit ratings are provided by credit agencies or rating agencies to verify the financial strength of the issuer for investors.

**Collecting Banker:** Also called receiving banker, who collects on instruments like a cheque, draft or bill of exchange, lodged with himself for the credit of his customer's account.

**Consumer Protection Act:** It is implemented from 1987 to enforce consumer rights through a simple legal procedure. Banks also are covered under the Act. A consumer can file complaint for deficiency of service with Consumer District Forum for amounts upto Rs.20 Lacs in District Court, and for amounts above Rs.20 Lacs to Rs.1 Crore in State Commission and for amounts above Rs.1 Crore in National Commission.

**Co-operative Bank :** An association of persons who collectively own and operate a bank for the benefit of consumers / customers, like Saraswat Co-operative Bank or Abhyudaya Co-operative Bank and other such banks.

**Co-operative Society :** When an association of persons collectively own and operate a unit for the benefit of those using its services like Apna Bazar Co-operative Society or Sahakar Bhandar or a Co-operative Housing Society.

**Core Banking Solutions (CBS):** Core Banking Solutions is a buzz word in Indian banking at present, where branches of the bank are connected to a central host and the customers of connected branches can do banking at any branch with core banking facility.

**Creditworthiness:** It is the capacity of a borrower to repay the loan / advance in time along with interest as per agreed terms.

**Crossing of Cheques:** Crossing refers to drawing two parallel lines across the face of the cheque. A crossed

cheque cannot be paid in cash across the counter, and is to be paid through a bank either by transfer, collection or clearing. A general crossing means that cheque can be paid through any bank and a special crossing, where the name of a bank is indicated on the cheque, can be paid only through the named bank.

**Customer:** A person who maintains any type of account with a bank is a bank customer. Consumer Protection Act has a wider definition for consumer as the one who purchases any service for a fee like purchasing a demand draft or a pay order. The term customer is defined differently by Laws, softwares and countries.

**Current Account:** Current account with a bank can be opened generally for business purpose. There are no restrictions on withdrawals in this type of account. No interest is paid in this type of account.

**Currency Board:** A monetary system in which the monetary base is fully backed by foreign reserves. Any changes in the size of the monetary base have to be fully matched by corresponding changes in the foreign reserves.

**Current Yield:** A return measure that indicates the amount of current income a bond provides relative to its market price. It is shown as: Coupon Rate divided by Price multiplied by 100%.

**Custody of Securities:** Registration of securities in the name of the person to whom a bank is accountable, or in the name of the bank's nominee; plus deposition of securities in a designated account with the bank's bankers or with any other institution providing custodial services.

**Debit Card:** A plastic card issued by banks to customers to withdraw money electronically from their accounts. When you purchase things on the basis of Debit Card the amount due is debited immediately to the account. Many banks issue Debit-Cum-ATM Cards.

**Debtor:** A person who takes some money on loan from another person.

**Demand Deposits:** Deposits which are withdrawn on demand by customers. E.g. savings bank and current account deposits.

**Demat Account:** Demat Account concept has revolutionized the capital market of India. When a depository company takes paper shares from an investor and converts them in electronic form through the concerned company, it is called Dematerialization of Shares. These converted Share Certificates in Electronic form are kept in a Demat Account by the

Depository Company, like a bank keeps money in a deposit account. Investor can withdraw the shares or purchase more shares through this demat Account.

**Derivative Call (Put) Warrants:** Warrants issued by a third party which grant the holder the right to buy (sell) the shares of a listed company at a specified price.

**Derivative Instrument:** Financial instrument whose value depends on the value of another asset.

**Discount Bond:** A bond selling below par, as interest in-lieu to the bondholders.

**Dishonour of Cheque:** Non-payment of a cheque by the paying banker with a return memo giving reasons for the non-payment. **Default Risk:** The possibility that a bond issuer will default ie, fail to repay principal and interest in a timely manner.

**Diversification:** The inclusion of a number of different investment vehicles in a portfolio in order to increase returns or be exposed to less risk.

**Duration:** A measure of bond price volatility, it captures both price and reinvestment risks to indicate how a bond will react to different interest rate environments.

**Earnings:** The total profits of a company after taxation and interest.

**Earnings per Share (EPS):** The amount of annual earnings available to common stockholders as stated on a per share basis.

**Earnings Yield:** The ratio of earnings to price (E/P). The reciprocal is price earnings ratio (P/E).

**E-Banking :** E-Banking or electronic banking is a form of banking where funds are transferred through exchange of electronic signals between banks and financial institution and customers ATMs, Credit Cards, Debit Cards, International Cards, Internet Banking and new fund transfer devices like SWIFT, RTGS belong to this category.

**EFT - (Electronic Fund Transfer):** EFT is a device to facilitate automatic transmission and processing of messages as well as funds from one bank branch to another bank branch and even from one branch of a bank to a branch of another bank. EFT allows transfer of funds electronically with debit and credit to relative accounts.

**Either or Survivor:** Refers to operation of the account opened in two names with a bank. It means that any one of the account holders have powers to withdraw money from the account, issue cheques, give stop payment instructions etc. In the event of death of one

of the account holder, the surviving account holder gets all the powers of operation.

**Electronic Commerce (E-Commerce):** E-Commerce is the paperless commerce where the exchange of business takes place by Electronic means.

**Endorsement:** When a Negotiable Instrument contains, on the back of the instrument an endorsement, signed by the holder or payee of an order instrument, transferring the title to the other person, it is called endorsement.

**Bouncing of a cheque:** Where the name of the endorsee or transferee is not mentioned on the instrument.

**Endorsement in Full:** Where the name of the endorsee or transferee appears on the instrument while making endorsement.

**Equity:** Ownership of the company in the form of shares of common stock.

**Equity Call Warrants:** Warrants issued by a company which give the holder the right to acquire new shares in that company at a specified price and for a specified period of time.

**Ex-dividend (XD):** A security which no longer carries the right to the most recently declared dividend or the period of time between the announcement of the dividend and the payment (usually two days before the record date). For transactions during the ex-dividend period, the seller will receive the dividend, not the buyer. Ex-dividend status is usually indicated in newspapers with an (x) next to the stock's or unit trust's name.

**Execution of Documents:** Execution of documents is done by putting signature of the person, or affixing his thumb impression or putting signature with stamp or affixing common seal of the company on the documents with or without signatures of directors as per articles of association of the company.

**Face Value/ Nominal Value:** The value of a financial instrument as stated on the instrument. Interest is calculated on face/nominal value.

**Fixed-income Securities:** Investment vehicles that offer a fixed periodic return.

**Fixed Rate Bonds:** Bonds bearing fixed interest payments until maturity date.

**Floating Rate Bonds:** Bonds bearing interest payments that are tied to current interest rates.

**Factoring:** Business of buying trade debts at a discount and making a profit when debt is realized and also taking over collection of trade debts at agreed prices.

**Foreign Banks:** Banks incorporated outside India but operating in India and regulated by the Reserve Bank of India (RBI), e.g., Barclays Bank, HSBC, Citibank, Standard Chartered Bank, etc.

**Forfeiting:** In International Trade when an exporter finds it difficult to realize money from the importer, he sells the right to receive money at a discount to a forfaiter, who undertakes inherent political and commercial risks to finance the exporter, of course with assumption of a profit in the venture.

**Forgery:** when a material alteration is made on a document or a Negotiable Instrument like a cheque, to change the mandate of the drawer, with intention to defraud.

**Fundamental Analysis:** Research to predict stock value that focuses on such determinants as earnings and dividends prospects, expectations for future interest rates and risk evaluation of the firm.

**Future Value:** The amount to which a current deposit will grow over a period of time when it is placed in an account paying compound interest.

**Future Value of an Annuity:** The amount to which a stream of equal cash flows that occur in equal intervals will grow over a period of time when it is placed in an account paying compound interest.

**Futures Contract:** A commitment to deliver a certain amount of some specified item at some specified date in the future.

**Garnishee Order:** When a Court directs a bank to attach the funds to the credit of customer's account under provisions of Section 60 of the Code of Civil Procedure, 1908.

**General Lien:** A right of the creditors to retain possession of all goods given in security to him by the debtor for any outstanding debt.

**Guarantee:** A contract between guarantor and beneficiary to ensure performance of a promise or discharge the liability of a third person. If promise is broken or not performed, the guarantor pays contracted amount to the beneficiary.

**Hedge:** A combination of two or more securities into a single investment position for the purpose of reducing or eliminating risk.

**Holder:** Holder means any person entitled in his own name to the possession of the cheque, bill of exchange or promissory note and who is entitled to receive or recover the amount due on it from the parties. For example, if I give a cheque to my friend to withdraw money from my bank, he becomes holder of that

cheque. Even if he loses the cheque, he continues to be holder. Finder cannot become the holder.

**Holder in due course :** A person who receives a Negotiable Instrument for value, before it was due and in good faith, without notice of any defect in it, he is called holder in due course as per Negotiable Instrument Act. In the earlier example if my friend lends some money to me on the basis of the cheque, which I have given to him for encashment, he becomes holder-in-due course.

**Hypothecation:** Charge against property for an amount of debt where neither ownership nor possession is passed to the creditor. In pledge, possession of property is passed on to the lender but in hypothecation, the property remains with the borrower in trust for the lender.

**Identification:** When a person provides a document to a bank or is being identified by a person, who is known to the bank, it is called identification. Banks ask for identification before paying an order cheque or a demand draft across the counter.

**Indemnifier:** When a person indemnifies or guarantees to make good any loss caused to the lender from his actions or others' actions.

**Indemnity:** Indemnity is a bond where the indemnifier undertakes to reimburse the beneficiary from any loss arising due to his actions or third party actions.

**Income:** The amount of money an individual receives in a particular time period.

**Index Fund:** A mutual fund that holds shares in proportion to their representation in a market index, such as the S&P 500.

**Initial Public Offering (IPO):** An event where a company sells its shares to the public for the first time. The company can be referred to as an IPO for a period of time after the event.

**Inside Information:** Non-public knowledge about a company possessed by its officers, major owners, or other individuals with privileged access to information.

**Insider Trading:** The illegal use of non-public information about a company to make profitable securities transactions

**Insolvent:** Insolvent is a person who is unable to pay his debts as they mature, as his liabilities are more than the assets. Civil Courts declare such persons insolvent. Banks do not open accounts of insolvent persons as they cannot enter into contract as per law.

**Interest Warrant:** When cheque is given by a company or an organization in payment of interest on

deposit, it is called interest warrant. Interest warrant has all the characteristics of a cheque.

**International Banking:** involves more than two nations or countries. If an Indian Bank has branches in different countries like State Bank of India, it is said to do International Banking.

**Introduction:** Banks are careful in opening any account for a customer as the prospective customer has to be introduced by an existing account holder or a staff member or by any other person known to the bank for opening of account. If bank does not take introduction, it will amount to negligence and will not get protection under law.

**Intrinsic Value:** The difference of the exercise price over the market price of the underlying asset.

**Investment:** A vehicle for funds expected to increase its value and/or generate positive returns.

**Investment Adviser:** A person who carries on a business which provides investment advice with respect to securities and is registered with the relevant regulator as an investment adviser.

**IPO price:** The price of share set before being traded on the stock exchange. Once the company has gone Initial Public Offering, the stock price is determined by supply and demand.

**JHF Account :** Joint Hindu Family Account is account of a firm whose business is carried out by Karta of the Joint family, acting for all the family members.. The family members have common ancestor and generally maintain a common residence and are subject to common social, economic and religious regulations.

**Joint Account:** When two or more individuals jointly open an account with a bank.

**Junk Bond:** High-risk securities that have received low ratings (i.e. Standard & Poor's BBB rating or below; or Moody's BBB rating or below) and as such, produce high yields, so long as they do not go into default.

**Karta:** Manager of a Hindu Undivided Family (HUF) who handles the family business. He is usually the eldest male member of the undivided family.

**Kiosk Banking:** Doing banking from a cubicle from which food, newspapers, tickets etc. are also sold.

**KYC Norms:** Know your customer norms are imposed by R.B.I. on banks and other financial institutions to ensure that they know their customers and to ensure that customers deal only in legitimate

banking operations and not in money laundering or frauds.

**Law of Limitation:** Limitation Act of 1963 fixes the limitation period of debts and obligations including banks loans and advances. If the period fixed for particular debt or loan expires, one cannot file a suit for its recovery, but the fact of the debt or loan is not denied. It is said that law of limitation bars the remedy but does not extinguish the right.

**Lease Financing:** Financing for the business of renting houses or lands for a specified period of time and also hiring out of an asset for the duration of its economic life. Leasing of a car or heavy machinery for a specific period at specific price is an example.

**Letter of Credit:** A document issued by importers bank to its branch or agent abroad authorizing the payment of a specified sum to a person named in Letter of Credit (usually exporter from abroad). Letters of Credit are covered by rules framed under Uniform Customs and Practices of Documentary Credits framed by International Chamber of Commerce in Paris.

**Limited Companies Accounts:** Accounts of companies incorporated under the Companies Act, 1956. A company may be private or public. Liability of the shareholders of a company is generally limited to the face value of shares held by them.

**Leverage Ratio:** Financial ratios that measure the amount of debt being used to support operations and the ability of the firm to service its debt.

**Libor:** The London Interbank Offered Rate (or LIBOR) is a daily reference rate based on the interest rates at which banks offer to lend unsecured funds to other banks in the London wholesale money market (or interbank market). The LIBOR rate is published daily by the British Banker's Association and will be slightly higher than the London Interbank Bid Rate (LIBID), the rate at which banks are prepared to accept deposits.

**Limit Order:** An order to buy (sell) securities which specifies the highest (lowest) price at which the order is to be transacted.

**Limited Company:** The passive investors in a partnership, who supply most of the capital and have liability limited to the amount of their capital contributions.

**Liquidity:** The ability to convert an investment into cash quickly and with little or no loss in value.

**Listing:** Quotation of the Initial Public Offering company's shares on the stock exchange for public trading.

**Listing Date:** The date on which Initial Public Offering stocks are first traded on the stock exchange by the public

**Margin Call:** A notice to a client that it must provide money to satisfy a minimum margin requirement set by an Exchange or by a bank / broking firm.

**Market Capitalization:** The product of the number of the company's outstanding ordinary shares and the market price of each share.

**Market Maker:** A dealer who maintains an inventory in one or more stocks and undertakes to make continuous two-sided quotes.

**Market Order:** An order to buy or an order to sell securities which is to be executed at the prevailing market price.

**Money Market:** Market in which short-term securities are bought and sold.

**Marginal Standing Facility Rate:** MSF scheme has become effective from 09th May, 2011 launched by the RBI. Under this scheme, Banks will be able to borrow upto 1% of their respective Net Demand and Time Liabilities. The rate of interest on the amount accessed from this facility will be 100 basis points (i.e. 1%) above the repo rate. This scheme is likely to reduce volatility in the overnight rates and improve monetary transmission.

**Mandate:** Written authority issued by a customer to another person to act on his behalf, to sign cheques or to operate a bank account.

**Material Alteration:** Alteration in an instrument so as to alter the character of an instrument for example when date, amount, name of the payee are altered or making a cheque payable to bearer from an order one or opening the crossing on a cheque.

**Merchant Banking :** When a bank provides to a customer various types of financial services like accepting bills arising out of trade, arranging and providing underwriting, new issues, providing advice, information or assistance on starting new business, acquisitions, mergers and foreign exchange.

**Micro Finance:** Micro Finance aims at alleviation of poverty and empowerment of weaker sections in India. In micro finance, very small amounts are given as credit to poor in rural, semi-urban and urban areas to enable them to raise their income levels and improve living standards.

**Minor Accounts:** A minor is a person who has not attained legal age of 18 years. As per Contract Act a minor cannot enter into a contract but as per Negotiable Instrument Act, a minor can draw,

negotiate, endorse, receive payment on a Negotiable Instrument so as to bind all the persons, except himself. In order to boost their deposits many banks open minor accounts with some restrictions.

**Mobile Banking :** With the help of M-Banking or mobile banking customer can check his bank balance, order a demand draft, stop payment of a cheque, request for a cheque book and have information about latest interest rates.

**Money Laundering:** When a customer uses banking channels to cover up his suspicious and unlawful financial activities, it is called money laundering.

**Money Market:** Money market is not an organized market like Bombay Stock Exchange but is an informal network of banks, financial institutions who deal in money market instruments of short term like CP, CD and Treasury bills of Government.

**Moratorium:** R.B.I. imposes moratorium on operations of a bank; if the affairs of the bank are not conducted as per banking norms. After moratorium R.B.I. and Government explore the options of safeguarding the interests of depositors by way of change in management, amalgamation or take over or by other means.

**Mortgage:** Transfer of an interest in specific immovable property for the purpose of offering a security for taking a loan or advance from another. It may be existing or future debt or performance of an agreement which may create monetary obligation for the transferor (mortgagor).

**Mutual Fund:** A company that invests in and professionally manages a diversified portfolio of securities and sells shares of the portfolio to investors.

**NABARD:** National Bank for Agriculture & Rural Development was setup in 1982 under the Act of 1981. NABARD finances and regulates rural financing and also is responsible for development agriculture and rural industries.

**Negotiation:** In the context of banking, negotiation means an act of transferring or assigning a money instrument from one person to another person in the course of business.

**Net Asset Value:** The underlying value of a share of stock in a particular mutual fund; also used with preferred stock.

**Non-Fund Based Limits:** Non-Fund Based Limits are those type of limits where banker does not part with the funds but may have to part with funds in case of default by the borrowers, like guarantees, letter of credit and acceptance facility.

**Non-Resident:** A person who is not a resident of India is a non-resident.

**Non-Resident Accounts:** Accounts of non-resident Indian citizens opened and maintained as per R.B.I. Rules.

**Notary Public:** A Lawyer who is authorized by Government to certify copies of documents .

**NPA Account:** If interest and instalments and other bank dues are not paid in any loan account within a specified time limit, it is being treated as non-performing assets of a bank.

**Off Balance Sheet Items:** Those items which affect the financial position of a business concern, but do not appear in the Balance Sheet E,g guarantees, letters of credit . The mention "off Balance Sheet items" is often found in Auditors Reports or Directors Reports.

**Offer for Sale:** An offer to the public by, or on behalf of, the holders of securities already in issue.

**Offer for Subscription:** The offer of new securities to the public by the issuer or by someone on behalf of the issuer.

**Online Banking:** Banking through internet site of the bank which is made interactive.

**Open-end (Mutual) Fund:** There is no limit to the number of shares the fund can issue. The fund issues new shares of stock and fills the purchase order with those new shares. Investors buy their shares from, and sell them back to, the mutual fund itself. The share prices are determined by their net asset value.

**Open Offer:** An offer to current holders of securities to subscribe for securities whether or not in proportion to their existing holdings.

**Option:** A security that gives the holder the right to buy or sell a certain amount of an underlying financial asset at a specified price for a specified period of time.

**Oversubscribed:** When an Initial Public Offering has more applications than actual shares available.

Investors will often apply for more shares than required in anticipation of only receiving a fraction of the requested number. Investors and underwriters will often look to see if an IPO is oversubscribed as an indication of the public's perception of the business potential of the IPO company.

**Pass Book:** A record of all debit and credit entries in a customer's account. Generally all banks issue pass books to Savings Bank/Current Account Holders.

**Par Bond:** A bond selling at par (i.e. at its face value).

**Par Value:** The face value of a security.

**Perpetual Bonds:** Bonds which have no maturity date.

**Placing:** Obtaining subscriptions for, or the sale of, primary market, where the new securities of issuing companies are initially sold.

**Personal Identification Number (PIN):** Personal Identification Number is a number which an ATM card holder has to key in before he is authorized to do any banking transaction in a ATM .

**Plastic Money:** Credit Cards, Debit Cards, ATM Cards and International Cards are considered plastic money as like money they can enable us to get goods and services.

**Pledge:** A bailment of goods as security for payment of a debt or performance of a promise, e.g pledge of stock by a borrower to a banker for a credit limit. Pledge can be made in movable goods only.

**Post-Dated Cheque:** A Cheque which bears the date which is subsequent to the date when it is drawn. For example, a cheque drawn on 8th of February, 2007 bears the date of 12th February, 2007.

**Power of Attorney:** It is a document executed by one person - Donor or Principal, in favour of another person, Donee or Agent - to act on behalf of the former, strictly as per authority given in the document.

**Portfolio:** A collection of investment vehicles assembled to meet one or more investment goals.

**Preference Shares:** A corporate security that pays a fixed dividend each period. It is senior to ordinary shares but junior to bonds in its claims on corporate income and assets in case of bankruptcy.

**Premium (Warrants):** The difference of the market price of a warrant over its intrinsic value.

**Premium Bond:** Bond selling above par.

**Present Value:** The amount to which a future deposit will discount back to present when it is depreciated in an account paying compound interest.

**Present Value of an Annuity:** The amount to which a stream of equal cash flows that occur in equal intervals will discount back to present when it is depreciated in an account paying compound interest.

**Price/Earnings Ratio (P/E):** The measure to determine how the market is pricing the company's common stock. The price/earnings (P/E) ratio relates the company's earnings per share (EPS) to the market price of its stock.

**Privatization:** The sale of government-owned equity in nationalized industry or other commercial enterprises to private investors.

**Prospectus:** A detailed report published by the Initial Public Offering company, which includes all terms and conditions, application procedures, IPO prices etc, for the IPO

**Put Option:** The right to sell the underlying securities at a specified exercise price on or before a specified expiration date.

**Premature Withdrawals:** Term deposits like Fixed Deposits, Call Deposits, Short Deposits and Recurring Deposits have to mature on a particular day. When these deposits are sought to be withdrawn before maturity , it is premature withdrawal.

**Prime Lending Rate (PLR):** The rate at which banks lend to their best (prime) customers.

**Priority Sector Advances :** consist of loans and advances to Agriculture, Small Scale Industry, Small Road and Water Transport Operators, Retail Trade, Small Business with limits on investment in equipments, professional and self employed persons, state sponsored organisations for lending to SC/ST, Educational Loans, Housing Finance up to certain limits, self-help groups and consumption loans.

**Promissory Note:** Promissory Note is a promise / undertaking given by one person in writing to another person, to pay to that person , a certain sum of money on demand or on a future day.

**Provisioning:** Provisioning is made for the likely loss in the profit and loss account while finalizing accounts of banks. All banks are supposed to make assets classification and make appropriate provisions for likely losses in their balance sheets.

**Public Sector Bank:** A bank fully or partly owned by the Government.

**Rate of Return:** A percentage showing the amount of investment gain or loss against the initial investment.

**Real Interest Rate:** The net interest rate over the inflation rate. The growth rate of purchasing power derived from an investment.

**Redemption Value:** The value of a bond when redeemed.

**Reinvestment Value:** The rate at which an investor assumes interest payments made on a bond which can be reinvested over the life of that security.

**Relative Strength Index (RSI):** A stock's price that changes over a period of time relative to that of a market index such as the Standard & Poor's 500, usually measured on a scale from 1 to 100, 1 being the worst and 100 being the best.

**Repurchase Agreement:** An arrangement in which a security is sold and later bought back at an agreed price and time.

**Resistance Level:** A price at which sellers consistently outnumber buyers, preventing further price rises.

**Return:** Amount of investment gain or loss.



**Rescheduling of Payment:** Rearranging the repayment of a debt over a longer period than originally agreed upon due to financial difficulties of the borrower.

**Restrictive Endorsement:** Where endorser desires that instrument is to be paid to particular person only, he restricts further negotiation or transfer by such words as "Pay to Ashok only". Now Ashok cannot negotiate the instrument further.

**Right of Appropriation:** As per Section 59 of the Indian Contract Act, 1972 while making the payment, a debtor has the right to direct his creditor to appropriate such amount against discharge of some particular debt. If the debtor does not do so, the banker can appropriate the payment to any debt of his customer.

**Right of Set-Off :** When a banker combines two accounts in the name of the same customer and adjusts the debit balance in one account with the credit balance in other account, it is called right of set-off. For example, debit balance of Rs.50,000/- in overdraft account can be set off against credit balance of Rs.75,000/- in the Savings Bank Account of the same customer, leaving a balance of Rs.25,000/- credit in the savings account.

**Rights Issue:** An offer by way of rights to current holders of securities that allows them to subscribe for securities in proportion to their existing holdings.

**Risk-Averse, Risk-Neutral, Risk-Taking:** Risk-averse describes an investor who requires greater return in exchange for greater risk.

Risk-neutral describes an investor who does not require greater return in exchange for greater risk.

Risk-taking describes an investor who will accept a lower return in exchange for greater risk.

**Safe Custody:** When articles of value like jewellery, boxes, shares, debentures, Government bonds, Wills or other documents or articles are given to a bank for safe keeping in its safe vault, it is called safe custody.. Bank charges a fee from its clients for such safe custody.

**Savings Bank Account:** All banks in India are having the facility of opening savings bank account with a nominal balance. This account is used for personal purposes and not for business purpose and there are certain restrictions on withdrawals from this type of account. Account holder gets nominal interest in this account.

**Senior Bond:** A bond that has priority over other bonds in claiming assets and dividends.

**Settlement:** Conclusion of a securities transaction when a customer pays a broker/dealer for securities purchased or delivered, securities sold, and receive from the broker the proceeds of a sale.

**Short Hedge:** A transaction that protects the value of an asset held by taking a short position in a futures contract.

**Short Position:** Investors sell securities in the hope that they will decrease in value and can be bought at a later date for profit.

**Short Selling:** The sale of borrowed securities, their eventual repurchase by the short seller at a lower price and their return to the lender.

**Speculation:** The process of buying investment vehicles in which the future value and level of expected earnings are highly uncertain.

**Stock Splits:** Wholesale changes in the number of shares. For example, a two for one split doubles the number of shares but does not change the share capital.

**Subordinated Bond:** An issue that ranks after secured debt, debenture, and other bonds, and after some general creditors in its claim on assets and earnings. Owners of this kind of bond stand last in line among creditors, but before equity holders, when an issuer fails financially.

**Substantial Shareholder:** A person acquires an interest in relevant share capital equal to, or exceeding, 10% of the share capital.

**Support Level:** A price at which buyers consistently outnumber sellers, preventing further price falls.

**Teller :** Teller is a staff member of a bank who accepts deposits, cashes cheques and performs other banking services for the public.

**Technical Analysis:** A method of evaluating securities by relying on the assumption that market data, such as charts of price, volume, and open interest, can help predict future (usually short-term) market trends. Contrasted with fundamental analysis which involves the study of financial accounts and other information about the company. (It is an attempt to predict movements in security prices from their trading volume history.)

**Time Horizon:** The duration of time an investment is intended for.

**Trading Rules:** Stipulation of parameters for opening and intra-day quotations, permissible spreads according to the prices of securities available for trading and board lot sizes for each security.

**Trust Deed:** A formal document that creates a trust. It states the purpose and terms of the name of the trustees and beneficiaries.

**Underwriting :** is an agreement by the underwriter to buy on a fixed date and at a fixed rate, the unsubscribed portion of shares or debentures or other issues. Underwriter gets commission for this agreement.

**Underlying Security:** The security subject to being purchased or sold upon exercise of the option contract.

**Universal Banking :** When Banks and Financial Institutions are allowed to undertake all types of activities related to banking like acceptance of deposits, granting of advances, investment, issue of credit cards, project finance, venture capital finance, foreign exchange business, insurance etc. it is called Universal Banking.

**Valuation:** Process by which an investor determines the worth of a security using risk and return concept.

**Virtual Banking:** Virtual banking is also called internet banking, through which financial and banking services are accessed via internet's World Wide Web. It is called virtual banking because an internet bank has no boundaries of brick and mortar and it exists only on the internet.

**Warrant:** An option for a longer period of time giving the buyer the right to buy a number of shares of common stock in company at a specified price for a specified period of time.

**Wholesale Banking:** Wholesale banking is different from Retail Banking as its focus is on providing for financial needs of industry and institutional clients.

**Window Dressing:** Financial adjustments made solely for the purpose of accounting presentation, normally at the time of auditing of company accounts.

**Yield (Internal rate of Return):** The compound annual rate of return earned by an investment

**Yield to Maturity:** The rate of return yield by a bond held to maturity when both compound interest payments and the investor's capital gain or loss on the security are taken into account.