

## Financial Market

### **Rupee gains on dollar inflows (BL-6)**

The rupee gained moderately by nine paise on the back of good dollar inflows and the positive domestic equity market.

The rupee opened weak at 45.70 as the dollar has gained against other major currencies.

### **Corporates' overseas borrowing on the rise (BL-6)**

Indian corporates are increasingly raising overseas funds to meet their credit requirements.

### **FII investment cap could be raised for core bonds (FE-1)**

After scaling up the infrastructure investment target to \$1 trillion for the 12<sup>th</sup> Plan, the government now proposes to take a series of steps to channel long-term funds to the sector. A step being mulled is a special dispensation for FIIs wanting to invest in infrastructure bonds; a higher limit would be set for them above the \$15-billion ceiling on foreign investment in corporate bonds.

### **Call rates end lower (BL-6)**

The inter-bank call rate ended at 3-3.10 per cent on Thursday.

Banks will earn \$75-100 million in fees from the Bharti-Zain deal, which could be 10-15%, of the total fees they expect to rake in this year. The deal, involving an

enterprise value of \$10.7 billion, is the second-largest takeover by an Indian corporate, post the Tata-Corus transaction.

### **State Bank of Indore merger (FE-6)**

The country's largest lender State Bank of India (SBI) on Thursday said the merger of its associates State Bank of Indore with itself could take place in the first quarter of the next financial year.

### **Indian Bank launches Visa Card (FE-6)**

Public sector Indian Bank on Thursday launched Visa business card for companies and small and medium enterprises.3w3

### **IDBI Bank goes solo on mutual fund business (ET-10)**

IDBI Bank has decided to go solo on its mutual fund business, making it the only public sector bank without a partner. On Thursday, IDBI Bank launched IDBI Asset Management with initial capital investment of Rs 25 crore. IDBI AMC will initially launched index-linked funds and some debt schemes.

## Banking

### **SBI may extend teaser home loan beyond Mar (FE-13)**

The State bank of India on Thursday hinted at extending its special home loan scheme, which offers 8% lending rate, with some modifications beyond March 31, when it is scheduled to expire.

### **Oriental Bank of Commerce business grows 26% (FE-13)**

The business-mix of the public sector Oriental Bank of Commerce has increased to Rs 2,00,004 crore as on March 16 this year, from Rs 1,58,786 crore a year ago, registering a growth of 25.96%.

### **Banks to earn \$100m from Bharti-Zain deal (ET-10)**

## RBI

### **Credit growth hits RBI target of 16% (FE-13)**

Credit growth, or the money that banks lend to companies and individuals, has hit the 16% mark, the target set by the Reserve Bank of India (RBI) for 2009-10. Total credit and net non-food credit grew by just over 16% in the fortnight to March 12,2010.

### **Managing govt borrowing a challenge:RBI (FE-1)**

The Reserve Bank of India (RBI) has noted that managing the government's gross record market borrowing programme of Rs 4.57 lakh crore (\$100.4 billion) will be a challenge in 2010-11. the central bank, however, is confident that the banking

sector is “comfortably resilient” to handle all such stress. It has also accepted that the current volume of FII inflows is in a comfortable range.

### **Banks have ability to withstands stress (BS-6)**

The Reserve Bank of India (RBI) today said the banking sector was in a position to withstand asset quality stress even if loans under restructured accounts became non-performing.

## Indian Economy

### **Food inflation at 4-month low of 16.22% (FE-2)**

Food inflation fell to its lowest in four months at 16.22% for the week ended March 13, as the pace of price rise for potatoes slowed and other vegetables such as onions became cheaper.

## Article

### **GIC RE plans to create nuclear liability pool (BL-6)**

Mr Yogesh Lohiya

### **Tale of two Budget proposals (BL-8)**

S.S.Tarapore