
BANKING AND FINANCIAL AWARENESS

FEBRUARY 2020: WEEK III

RBI REPORT ON BANK LOANS

- The Reserve Bank of India's (RBI) weekly statistical supplement released on 14th Feb 2020, showed that Indian banks' loans rose 7.1% in the two weeks to 31st January 2020 from a year earlier.
- It also showed that the deposits increased to 9.9%.
- In the fortnight to January 31, the outstanding loans rose Rs 989.26 billion (\$13.86 billion) to Rs 101.03 trillion.

FINMIN ADDRESSED THE CENTRAL BOARD OF DIRECTORS OF RBI

- The FinMin outlined the thinking behind the Union Budget 2020-21 and the focus areas of the Government in the meeting.
- Shaktikanta Das, Governor chaired the meeting of the Central Board.
- The finance minister was accompanied by Minister of State for Finance Anurag Singh Thakur, Finance Secretary Rajiv Kumar and Expenditure Secretary T. V. Somanathan, and Dr. Krishnamurthy Subramanian, Chief Economic Advisor.

BAJAJ FINANCE REPLACED SBI ON BSE

- As per the BSE, Bajaj Finance's market capitalization stood at Rs 2.87 trillion whereas the State Bank of India has a market cap of Rs 2.81 trillion.
- The finance company's shares have risen nearly 12% so far this year.
- The SBI stock has fallen nearly 4% in the last two sessions following concerns over its asset quality in Vodafone Idea and Bharti Airtel's in AGR case.
- Currently, Reliance Industries Ltd is the country's most valued company with a market cap of Rs 9.48 trillion.

SEBI PERMITTED USE OF REGULATORY SANDBOX

- The regulatory sandbox is a system that will allow live testing of new products, services and business models by market players on select customers.
- The 'regulatory sandbox' will serve as a testing ground for new business models and technologies that benefit investors, Indian markets and the economy at large.

- Under the regulatory framework, the eligible entities will be granted the facility to experiment with fintech solutions in a live environment and on real customers.

CENTRE RELEASED RS 19,950 CR GST COMPENSATION TO STATES/UTS

- With this release of GST compensation, the Central government has released a total amount of over Rs 1.20 lakh crore towards GST compensation to the states during current fiscal.
- As per Ministry of Finance, total GST compensation cess of Rs 62,611 crore was collected in the FY 2017-18, out of which Rs 41,146 crore was released to the states/UTs that fiscal as GST compensation.
- In FY 2018-19, Rs 95,081 crore was collected as GST compensation cess of which Rs 69,275 crore was released to the states/UTs as GST compensation.

