
BANKING AND FINANCIAL AWARENESS

JULY 2020: WEEK I

FITCH FORECASTS INDIA'S GROWTH TO 8% FOR FY 2022

- As per the report, India's growth forecast for the financial year 2021-22 is marked at 8%. Initially, it was marked at 9.5% by the Fitch. However, it has reduced it to 8%.
- The reduction in the growth forecast is marked due to the negative impact on economic growth due to pandemic COVID-19.
- For the current fiscal year, the projection of India economy to be contracting by 5% as per Fitch Rating Agency.

SPECIAL LIQUIDITY SCHEME FOR NBFCS AND HFCS THROUGH SPV

- Government of India approved a special liquidity scheme for Non-Banking Finance Companies (NBFC) and Housing Finance Companies (HFC) through Special Purpose Vehicle (SPV).
- This Special Liquidity Scheme is set up by SBI Capital Markets Limited (SBICAP) which is the subsidiary of State Bank of India (SBI).
- The finance provided under this scheme to the NBFCs and HFCs will be used to repay existing liabilities and not to expand their assets.

ASIAN DEVELOPMENT BANK JOINS NGFS

- Asian Development Bank has joined as an observer for France based Network for Greening the Financial System (NGFS).
- Network for Greening the Financial System (NGFS) is a global forum which brings together all the central banks and supervisors around the globe and commits them to manage the financial risks and develop protection and saving opportunities with respect to climate change and environment.

'ZIPDRIVE' INSTANT AUTO LOAN FACILITY—BY HDFC BANK

- HDFC Bank has announced to offer instant auto loan named as 'Zipdrive' to its customers.
- This instant loan facility will be offered to its customers in about 1000 cities i.e. in tier 2 and tier 3 cities of India.
- The Zipdrive loan facility will be offered only for customers with preapproved offers.

INDIAN ECONOMY TO CONTRACT BY 6.4% -- BY CARE RATINGS

- Care (Credit Analysis and Research Limited) Rating has forecasted that Indian Economy to contract 6.4% for the financial year 2020-21.
- This contraction value in GDP is cited because the economic activities are getting continuously hindered due to lockdown situation of COVID-19.
- The rating agency has also expected a positive growth will come from agriculture and government sector.

