

Economic & Banking Current Affairs – February 2019**Economic Affairs:****GST collections cross Rs 1 lakh crore mark**

- The GST collections in January this year has crossed one lakh crore rupees mark. In January last year the GST collection was 89 thousand crore rupees.

Department of post to soon set up its own insurance company

- Department of post will soon set up its own insurance company which will deal with its business of two products Postal life insurance and Rural Postal Life Insurance.

FPIs pull out Rs 5,300 crore from capital markets in January

- Foreign Portfolio Investors, FPIs, withdrew over 5,300 rupees crore from the Indian capital markets in January, indicating their 'wait and watch' approach ahead of the general elections.

India's tourism sector registers 19% growth in 2018

- Union Minister KJ Alphons has said that the country's tourism sector fetched 234 billion US Dollar revenue last year, registering a growth of over 19%. At the inaugural speech of the 2nd ASEAN-India Youth Summit in Guwahati, he said the country is ranked third in the tourism sector, according to the 2018 report of the World Travel and Tourism Council (WTTC).

Interim Budget 2019-20

- Finance Minister Piyush Goyal presented Interim Budget 2019-20 in Parliament.

Overall health allocations to be increased to 2.5% of GDP

- India stands committed to increase its overall health allocations to 2.5 per cent of GDP.

Interim Budget 2019-20 Highlights

- 6,000 rupees yearly direct support to farmers through PM-KISAN Programme.
- 3,000 rupees pension for unorganised sector workers earning upto 15,000 rupees through a mega Pension Scheme - Pradhan Mantri Shram- Yogi Maandhan.
- Present Income Tax rates to continue; Full tax rebate upto income of 5 lakh rupees for individual tax payers; Standard deduction raised to 50,000, a hike of 10,000 for salaried class.
- Direct tax system simplified; Returns to be processed in 24 hours with immediate refunds.
- 90 percent GST payers can file quarterly returns; Small and Medium Enterprises to get two percent interest rebate on incremental loan of one crore rupees; A Group of Ministers to examine GST burden on home buyers.
- Customs to go for digitalization of export and import transactions.
- Allocations to Health care, MGNREGA, SC/ST welfare programmes, Pradhan Mantri Gram Sadak Yojana, Development of infrastructure in North-East hiked substantially.

- A programme for genetic upgradation of cow - Rashtriya Kamdhenu Aayog.
- A separate Department of Fisheries.
- Electricity connection to all willing families by next month.
- Allocations to Defence budget crosses three lakh crore rupees for the first time.
- Over three lakh 38 thousand shell companies deregistered after demonetization.
- 10 point vision for 2030 to realize India's social economic potential; 10 trillion dollars economy in 13 years.
- Government e-Market place - GeM to be extended to all Central Public Sector Enterprises.
- A container cargo movement to the North-East through Brahmaputra river; Allocation for infrastructure development in the region hiked by 21 percent.
- An All India Institute of Medical Sciences - AIIMS for Haryana.
- One lakh more villages to get digital connectivity; A National Centre on Artificial Intelligence Centre;
- Cinematograph Act to be tightened to check piracy.
- Single window clearance for shooting films to be made available to Indian film makers.
- Indigenous development of semi-high speed Vande Bharat Express train
- The fiscal deficit pegged at 3.4 percent of GDP is the highlight of the Interim Budget for 2019-20.

Employment of Indian seafarers grows by 35 percent this year

- The shipping sector has witnessed an unprecedented growth of 35 per cent in the number of Indian seafarers employed on Indian or foreign flag vessels this year.

Centre increases MSP of Sugar by 2 Rs/Kg

- The Centre has increased the minimum selling price of sugar by two rupees per kilogram to 31 rupees a kilogram for the year 2018-19.

India raises customs duty to 200 pc on all goods imported from Pakistan

- India has raised the basic customs duty to 200 per cent on all goods imported from Pakistan with immediate effect following withdrawal the Most Favoured Nation, MFN status in the aftermath of the Pulwama terror attack.
- The main items which Pakistan exports to India include fresh fruits, cement, petroleum products, bulk minerals and ores and finished leather.

About 16 crore people consuming alcohol in country

- Social Justice and Empowerment Minister Thawarchand Gehlot has said that about 16 crore people are consuming alcohol in the country by a survey which was conducted by his Ministry in collaboration with the National Drug Dependence Treatment Centre of AIIMS.
- The states with high prevalence of dependent pattern of alcohol use disorders are Tripura, Andhra Pradesh, Punjab, Chattisgarh and Arunachal Pradesh.

EPFO hikes interest rate on provident fund

- Employees' Provident Fund Organisation, EPFO has decided to provide 8.65 per cent interest on Provident Fund deposits for 2018-19 against 8.55 per cent in the last year.
- The Central Board of Trustees (CBT) headed by Labour Minister is the apex decision making body of the EPFO which finalises rate of interest on PF deposits for a financial year.

India to have own DNS for safe browsing

- The government will soon roll out a public Domain Name Server, or DNS, for India aimed at providing a faster and more secure browsing experience for Internet users in the country, while ensuring that citizens' data is stored locally.
- A DNS is like a directory for the Internet. It helps to convert domain names that are easy for people to remember into IP addresses, which are used by computers/machines to communicate. If the DNS is either slow or fails to work, users will not be able to locate web addresses.

Country's goods, services exports to cross 500 billion dollars during current fiscal

- The country's goods and services exports will cross 500 billion dollars during the current fiscal despite challenges being faced on the global trade front. This was stated by the Commerce and Industry Minister Suresh Prabhu while speaking at the Rising India Summit 2019 in New Delhi.

Relief for start-ups with tax notice

- About 300 start-ups which had received tax payment orders due to issues related to 'angel tax' may soon get relief, as the Central Board of Direct Taxes (CBDT) has asked industry representatives to submit the names and PAN details of all the affected start-ups.

Afghanistan begins export to India via Chabahar port

- Afghanistan has begun exports to India through Iran's Chabahar port, as the landlocked country turns to overseas markets to improve its economy. Afghanistan's exports will increase to two billion dollar from the current one billion dollar in the next year.

Banking Affairs**RBI announces bi-monthly monetary policy**

- The Monetary Policy Committee headed by Reserve Bank of India Governor Shaktikanta Das, announced a reduction in policy repo rate by 25 basis points from 6.5 per cent to 6.25 per cent with immediate effect.

RBI raises collateral-free farm loan limit to Rs 1.6 lakh

- RBI Governor Shaktikanta Das announced that the limit of collateral free agricultural loans has been increased from one lakh to 1.6 lakh.

penalises banks for violating various norms

- Reserve Bank has imposed monetary penalty of two million rupees each on HDFC Bank, IDBI Bank and Kotak Mahindra Bank for non-compliance of various Know Your Customer/ Anti-Money Laundering norms. RBI informed that it has imposed monetary penalty of 1.5 Crore rupees each on Allahabad Bank, Bank of Maharashtra and Indian Overseas Bank for non-compliance of norms related to monitoring end use of funds, exchange of information, classification and reporting of frauds and on restructuring of accounts.

RBI to give Rs 28,000 cr to Centre as dividend

- The Reserve Bank has announced that it will transfer an interim surplus of 28,000 crore rupees to the central government for the half-year ended 31st December 2018.

Government to infuse Rs 48,239 crore in 12 public sector banks

- The government has approved recapitalisation of Rs 48,239 crore in 12 public sector banks in this fiscal to help them maintain regulatory capital requirements and finance growth plans.
- The government will infuse over nine thousand crore rupees in Corporation Bank and six thousand 896 crore rupees in Allahabad Bank.

FPIs pour Rs 5,300 cr into equities

- Foreign investors have put in over 5,300 crore rupees into the Indian equity market in the first half of this month.

RBI, Bank of Japan sign Bilateral Swap Arrangement

- Reserve Bank of India and Bank of Japan have signed a Bilateral Swap Arrangement (BSA). The BSA provides for India to access 75 billion US dollars whereas the earlier BSA had provided for 50 billion dollars.
- India can access the agreed amount of 75 billion dollars for its domestic currency, for the purpose of maintaining an appropriate level of balance of payments or short-term liquidity.

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