



EDITOR'S PICK



Banking On Maturing Regulatory Landscape

If financial sector regulatory framework is the measure of a nation's maturity, India is certainly on the path to join the ranks of a mature economy.

THE BANKING sector is arguably a mirror to the economy. Similarly, the regulatory framework for the financial sector could reflect the mood and maturity of the country. The history of banking in India demonstrates this aptly as one walks through the possibly three phases of its evolution.

The first phase would be the nationalisation of banks between 1969 and 1980. This resulted in about 80 per cent of the banking activity being owned by the government. It was a period where the country trusted state ownership over regulatory prowess and was possibly the need of the hour at that time. The Narasimhan Committee Report of 1991 launched the second phase that saw 10 new private sector banks being licensed; the first time since independence. This was followed by the committee's second report and two additional private sector banks were licensed. This period is synonymous with the opening up of the Indian economy and moving from the FERA to the FEMA regime. Although the banking change was not as dramatic, it still was a significant leap of faith for that time.

But the last 15 years have been the most interesting. While only two licences have been granted (IDFC Bank and Bandhan Bank), this period witnessed the birth of the non-operating financial holding company (NOFHC) under which various banking and non-banking businesses of a banking group are required to be housed. Further, the RBI has also boldly introduced differentiated banking licences through Small Finance Banks and Payments Banks, a move which was initially only talked about within regulatory circles, but thankfully saw the light of day in 2015. [READ MORE..](#)

goo.gl/kZew2A

Cryptocurrencies Pose Threat To Global Financial Stability: Shaktikanta Das

The former economic affairs secretary said it was right on the part of the government to voice caution about virtual currency in Budget proposals of 2018-19.

CRYPTOCURRENCIES have the potential to be like ponzi schemes and they pose a threat to the financial stability of the country, said former economic affairs secretary Shaktikanta Das.

Therefore, it was right, as per him, on the part of the government to voice caution about virtual currency in Budget proposals of 2018-19.



Das is a member of the 15th Finance Commission and also India's Sherpa at the G-20.

The former economic affairs secretary said in his keynote address at a Post-Budget Talk organised by BusinessLine and SASTRA Deemed University, powered by Ficci. [READ MORE..](#)

goo.gl/Ruuq7k



I-T Scrutiny Process Will Be Faceless Now

The Central Board of Direct Taxes (CBDT) has said 'e-proceeding' facility is well in place and, hence, all I-T process will be faceless now.

THE CENTRAL Board of Direct Taxes (CBDT) has said 'e-proceeding' facility is well in place and, hence, all I-T process will be faceless now.

This, however, will not apply to search-related assessments.

In a letter to field officers, it said "except for search-related assessments, proceedings in other pending scrutiny assessment cases shall be conducted only through the 'e-proceeding' functionality in ITBA/e-filing".

In his Budget speech, Finance Minister Arun Jaitley had said the government is ready to roll out the e-assessment across the country, which will transform the age-old assessment procedure of the income tax department and the manner in which they interact with taxpayers and other stakeholders.

"Accordingly, I propose to amend the Income-tax Act to notify a new scheme for assessment where the assessment will be done in electronic mode which will almost eliminate person to person contact leading to greater efficiency and transparency," he said.

The relaxation till March-end can be given to places that have limited bandwidth for e-communications, the letter said. [READ MORE..](#)

goo.gl/s71NqV

Opec Concerned Over Surging US Oil Output

After hitting a lowest of \$35 a barrel in 2016, the crude oil prices notched \$70 per barrel last month.

THE OIL PRICES have been rising to normal after years of gloom, with global markets recovering coupled with a deal among producers to throttle output.

However, growing shale production in the United States could play a spoilsport, a concerned Opec said.

After hitting a lowest of \$35 a barrel in 2016, the crude oil prices notched \$70 per barrel last month.

As per a monthly report by Opec, strong economic data from strong economies, especially from the US and Germany, and geopolitical tensions in the Middle East have helped support price rise.

However, for the cartel "surging US production remained a concern".

Russia made a deal in 2016 to cut its output by 300,000 barrels to help surge oil demand across the globe.

Russia said it will not abandon a deal with OPEC to keep a lid on oil supplies, even as crude prices rise.

Meanwhile, United States has launched a \$1.5 trillion plan



to modernise the country's infrastructure development including \$200 billion in federal funding.

President Donald Trump has termed it a most comprehensive infrastructure bill in the history of the US. [READ MORE..](#)

goo.gl/4RNd6q