



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

DAILY NEWS DIGEST BY BFSI BOARD

03 March, 2023

SBI MAY LOOK TO CUT YES BANK STAKE ONCE LOCK-IN ENDS: SBI may look to lower its stake in Yes Bank after a lock-in period ends on March 6 which was put in place by the central bank as a part of the lender's restructuring, two sources told Reuters. "The percentage of equity dilution that the bank intends to do will have to be placed before the RBI in due course." SBI held a 26.14% stake in Yes Bank as of December 31, stock exchange data showed, and is the largest single shareholder in the rescued lender.

(Moneycontrol)

CEA NAGESWARAN EXPECTS FY23 GROWTH RATE TO BE REVISED UPWARDS: Chief Economic Advisor V Anantha Nageswaran, on Thursday, said that the urban economy is growing faster than rural economy. He also expects not just Q3 of FY23, but the whole of fiscal growth numbers to be revised upwards. Further, he felt that there is still pent-up demand in the economy. "Given the high-frequency indicators and the pace at which they are recovering, he believe that the current year's are more likely to revised upward.

(Business Line)

ADANI-HINDENBURG SAGA: SUPREME COURT SETS UP PANEL TO PROTECT INVESTOR INTEREST: The Supreme Court on Thursday formed an expert committee headed by former apex court judge, Justice Abhay Manohar Sapre, to investigate the causal factors and existence, if any, of regulatory failure which led to investors losing crores due to the volatility in the securities market following Hindenburg Research's report accusing the Adani Group of manipulation of share prices and account fraud. The committee includes a former chairman of the State Bank of India OP Bhatt, retired Bombay High Court judge Justice JP Devadhar, former chief of the New Development Bank of BRIC countries KV Kamath, co-founder of Infosys Nandan Nilekani, and securities expert and lawyer Somasekhar Sundaresan. The Supreme Court Collegium's recommendation of Sundaresan as a Bombay High Court judge has been pending with the government for months now. The government had objected to his name, calling him a "highly opinionated person", but the Collegium had backed his right to free speech and reiterated its recommendation only recently.

(Business Line)

PAKISTAN'S CENTRAL BANK RAISES KEY POLICY RATE BY 300 BPS TO HIGHEST LEVEL SINCE 1996: The State Bank of Pakistan on Thursday raised the key policy rate by 300 bps to 20% as the country battles the highest inflation rate in nearly 50 years. Retail inflation in Pakistan jumped 31.5% in February YoY, the highest annual rate in nearly 50 years, as food, beverage and transportation prices surged more than 45%.The key



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

rate of the State Bank of Pakistan now stands at 20%, its highest level since October 1996. The rupee shed 1.73% closing at 266.11 rupees against the greenback on Wednesday. The rupee has depreciated nearly 15% since the start of the calendar year, adding to inflation.

(Economic Times)

MEGA BLOCK DEALS OF ADANI STOCKS: US-BASED GQG PARTNERS BUYS

SHARES WORTH RS 15,446 CR: GQG Partners, an US-based boutique investment firm, on Thursday bought shares worth Rs 15,446 crore (\$1.87 billion) in Adani Group firms like Adani Ports and Special Economic Zone Limited, Adani Green Energy Limited, Adani Transmission Limited and Adani Enterprises Ltd through block deals."The investment has made GQG a key investor in the development and growth of critical Indian infrastructure," said Adani Group in a statement. Jefferies India Private Limited acted as a sole broker for the transaction. This marks the first major investment in the embattled Adani Group since a short-seller's critical report sparked a stock rout.

(Business Today)

CASH FLOW-BASED LENDING, CREDIT SCORES, TREDS, ONLINE DISPUTE RESOLUTION CAN SOLVE MSMEs' PAYMENT ISSUE: REPORT:

The Global Alliance for Mass Entrepreneurship – a nonprofit for entrepreneurship in India on Wednesday launched a report to address the delayed payment crisis faced by MSMEs in the country. The report, prepared in collaboration with the working capital marketplace C2FO, sought support from "three central pillars at the head: government and policymakers, finance enablers and financiers, and large enterprises including PSUs" for a coordinated ecosystem-wide effort. With the support of these pillars, the report suggested actions including first, strengthening cash flow-based lending through the provision of on-tap, easy-to-use, credit guarantees; second, the proliferation of credit scores that use alternative data sources for new-to-credit customers; third, strengthening invoice discounting platform TReDS by integrating GST data and the provision of operationally light credit guarantees (specifically for factoring transactions); and fourth re-imagining the process of dispute resolution for delayed payments through online portals using GST data.

(Financial Express)

JIO TO BECOME WORLD'S LARGEST 5G NETWORK WITH AFFORDABLE

SERVICES: India's biggest telecom operator Reliance Jio expects to become the world's largest player having a pure 5G network this year with promise to provide services at affordable rates to the masses, a senior official of the company said here. Speaking to the PTI at the Mobile World Congress, Reliance Jio President Mathew Oommen said India needs inclusive growth and Jio will continue to support it.

(Business Standard)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

NO CONSENSUS ON UKRAINE: G20 FOREIGN MINISTERS MEET ENDS SANS

COMMUNIQUE: As a result of the continuing diplomatic tussle between the West and Russia over the war in Ukraine, the first G20 Foreign Ministers Meeting under New Delhi's presidency ended on Thursday without a joint communique. Instead, the G20 nations issued a chair summary and a common outcome document on Thursday, the first time this has been done. The document focussed on expanding multilateralism and reforms to the United Nations. The document outlines the common positions on which the G20 needs to come together, External Affairs Minister S Jaishankar said at a press conference after the deliberations concluded. At the recently concluded meeting of G20 finance ministers and central bank governors, too, a communique could not be issued as there was no consensus on the Ukraine war.

(Business Standard)

HEALTH INSURANCE COVER INCREASED TO RS 25,00,000 PER FAMILY IN

RAJASTHAN: Looking at the popularity of the free universal health care scheme in the state, the Rajasthan government has increased health insurance cover from Rs 10 lakh to Rs 25 lakh per family. Similarly, the government has increased the insurance amount to Rs 10 lakh from Rs 5 lakh in the Mukhyamantri Chiranjeevi Durghatna Bima Yojana (Chief Minister Chiranjeevi Accident Insurance Scheme). The increase in the insurance scheme is likely to be applicable from April 1, 2023.

(Business Standard)

STATE BANK OF INDIA COMPLETES FIRST COMMERCIAL TRADE IN SRI

LANKAN RUPEES: State Bank of India on Thursday said it completed its first non-dollar transaction with Sri Lanka, by paying for exports in Sri Lankan rupees as India looks to bring countries that are short of U.S. dollars into the trade mechanism. The move comes as Sri Lanka grapples with its worst economic crisis since its independence, triggered by a shortage of dollars. The island nation's forex reserves stood at \$2.1 billion as of end-January.

(Business Standard)

UPI, PAYNOW TIE-UP: IN PAYMENTS, LIKE GEOPOLITICS, INDIA SEEKS A

THIRD WAY: Last week, the Singaporean and Indian central banks unveiled a new system for cross-border cash transfers that, in New Delhi at least, was celebrated as something much more: the first step toward establishing an entirely new global payments system geared to the needs of the developing world. India's UPI, tied up with PayNow, run by a consortium of Singaporean banks to provide what Singaporean Prime Minister Lee Hsien Loong described as "cross-border, real-time system linkage" with "cloud-based infrastructure."

(Business Standard)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

SENSEX SHEDS 502 PTS, NIFTY HOLDS 17,300: Domestic indices ended Thursday's volatile session in the red territory. Nifty settled below the crucial 17330 level and Sensex closed below 58910. The Bank Nifty concluded below 40,400. The top gainers on the Nifty 50 were Adani Ports (up 3.06%), Coal India (up 1.87%), BPCL (up 1.77%), Adani Enterprises (up 1.52%) and Hero Motocorp (up 1.39%) while Maruti Suzuki (down 2.60%), Axis Bank (down 2.44%), TCS (down 1.82%), Tech Mahindra (down 1.63%) and Infosys (down 1.62%) were the losers.

(Business Standard)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

FINANCIAL TERMINOLOGY/CONCEPTS

PROTECTIONISM

- ❖ A policy that attempts to promote companies based in the home country and discriminate against those from abroad.
- ❖ This can be done via taxes or tariffs or via regulations that exclude or hobble imports. Protectionism is often politically popular because it appears to safeguard workers' jobs, and many companies will lobby politicians to exclude foreign competitors.
- ❖ But believers in free trade argue that the effect of protectionism is to reward inefficient domestic companies and to increase the prices paid by consumers.



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035
+ 91-33-2252-1602/1492/1619
+ 91-33- 2252-7143/7373/2204
Fax :+91-33-2252-7993
+91-33-2252-1026
+91-33-2252-1723
Website :www.icmai.in

RBI KEY RATES

Repo Rate: 6.50%
SDF: 6.25%
MSF & Bank Rate: 6.75%
CRR: 4.50%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 82.5555
INR / 1 GBP : 98.9532
INR / 1 EUR : 87.8302
INR /100 JPY : 60.4000

EQUITY MARKET

Sensex: 58909.35 (-501.73)
NIFTY: 17321.90 (-129.00)
Bnk NIFTY: 40389.80 (-308.40)

Courses conducted by BFSI Board

- ❖ **Certificate Course on Concurrent Audit of Banks**
- ❖ **Certificate Course on Credit Management of Banks**
- ❖ **Certificate Course on Treasury and International Banking**
- ❖ **Certificate Course on Investment Management**
- ❖ **Certificate Course on General Insurance.**

For details please visit BFSIB portal of the ICAI website

Publications by BFSI Board

- ❖ **Aide Memoire on Infrastructure Financing.**
- ❖ **Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).**
- ❖ **Guidance Note on the Internal Audit of General Insurance Companies.**
- ❖ **BFSI Chronicle (quarterly issue of BFSIB)**

To purchase please visit BFSIB portal of ICAI

CMA Chittaranjan Chattopadhyay

Chairman,

Banking, Financial Services & Insurance Board

The Institute of Cost Accountants of India

***Disclaimer:** Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICAI takes no responsibility for the accuracy and reliability of information published in the Daily News Digest. No part of this Daily News Digest may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise without the permission of BFSIB of ICAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.*