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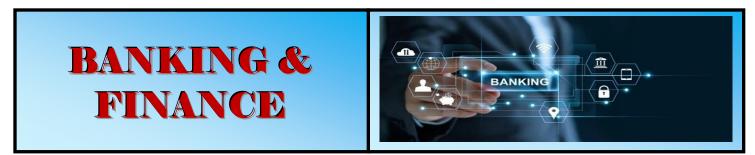
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## **DAILY NEWS DIGEST BY BFSI BOARD**

#### 04 April 2024



**Indian travellers can now use PhonePe to make payments via UPI in Singapore:** Fintech firm PhonePe on Wednesday said its users can now make payments through UPI in Singapore under a pact signed by the company with The Singapore Tourism Board. The collaboration has been built upon the existing Unified Payments Interface (UPI) linkage between India and Singapore, which allows customers to instantly make cross-border transactions between the two countries directly from their existing Indian bank accounts. "Singapore Tourism Board (STB) and PhonePe enter a two-year strategic partnership to promote UPI payments for Indian visitors in Singapore," PhonePe, a decacorn, said in a statement. Privately-held companies with a valuation of over \$10 billion are termed as decacorn.

#### (Moneycontrol)

**Union Bank raises Rs 42,000 cr from DIFC to fund overseas business growth:** Stateowned Union Bank of India on Wednesday said it has raised \$500 million (about Rs 4,200 crore) from foreign markets to fund overseas business growth. The fund was arranged by Dubai International Financial Centre (DIFC), Dubai Branch, Union Bank of India said in a regulatory filing. A syndicated term loan of \$ 500 million (\$400 million and Green Shoe of \$100 million) would be drawn in two tranches with tenure of 3 and 5 years. The first tranche of \$100 million was drawn on Wednesday, it said.

#### (Business Standard)

**Federal Bank reports 20% growth in gross advances:** Federal Bank, reported a 20% year-onyear growth in gross advances, reaching Rs 2.13 lakh crore by March 31, 2024, compared to Rs 1.77 lakh crore a year earlier. The bank's retail credit book expanded by 25%, while the wholesale credit book grew by 15%, resulting in a retail loan to wholesale loan ratio of 56:44. Additionally, the bank's total deposits increased by 18% to Rs 2.53 lakh crore from Rs 2.13 lakh crore as of March 31, 2023. *(Economic Times)* 



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**Canara Bank launches loans for healthcare, savings accounts for women:** Canara Bank on Wednesday launched healthcare focused loan product Canara Heal, which will meet the shortfall in hospitalization expenditure while settling through TPA healthcare insurance claims of self and/or dependents. The Bengaluru-based public sector bank also launched a customized savings account for women – Canara Angel – with unique features like Cancer Care policy, pre-approved personal loan Canara ReadyCash and an Online Loan against term deposit product Canara MyMoney. Canara bank exchanged Memorandums of Understanding (MoUs) with both MediAssist Healthcare Services Ltd and Bajaj Allianz General Insurance Company Ltd. at the launch event

(Economic Times)



ECONOMY

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**Households are shifting savings from financial to real assets, says CEA:** Indian households are moving their savings from financial assets to real assets, says V Anantha Nageswaran, Chief Economic Advisor to the Government of India. RBI data show that the growth of household financial liabilities went up from 3.8 per cent in 2021-22 to 5.8 per cent in the following year; growth of financial assets increased from 10.99 per cent to 11.1 per cent. Nageswaran pointed out that the 5.8 per cent was an "accretion to household financial savings", in 2022-23. "So, the stock of financial assets that the Indian households have, or the net financial assets after liabilities are taken into consideration, continues to rise," Only in 2022-23, the pace of accretion to the net financial assets of households slowed compared with the previous year's pace. This slowdown is not because Indians are consuming more; it is because they are also acquiring more real assets.

#### (Business Line)

**In last decade, only 22% of unicorns were started by solopreneurs:** In the last decade, 22 % of Indian unicorns were started by solopreneurs as compared to two or more co-founders leading the other 78 per cent, according to an analysis by PrivateCircle Research. Further, 40 per cent of these solopreneurs have started fintech unicorns including CRED, Slice, GoDigit Insurance, Acko and others. Interestingly, India's Silicon Valley, Bengaluru was the most preferred headquarters location for solopreneurs of the last decade. While success in business is dependent on various factors, the data suggests a higher win rate for start-ups with two or more founders. PrivateCircle found that Indian unicorns, on average, have two founders. Further, the average revenue generated by cofounded



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unicorns (₹2,909 cr) was found to be 32 per cent more than the average revenue of solo founder unicorns (₹2,196 cr). This is based on the latest revenue numbers available for each company. (Business Line)

Companies will train over 650,000 employees in GenAI in 2023-24: Between 2023 and 2024, over 650,000 employees are expected to undergo training in generative AI technology, as India sees surge in AI adoption, with AI-driven initiatives growing 2.7x in these two years, according to a report by Deloitte. So far, over 70 startups offering GenAI solutions have raised more than \$590 million in funding from investors. The report estimates that the GenAI market in India is expected to grow at a compounded annual growth rate (CAGR) of more than 24.4% from 2023 to 2030, which is likely to add between \$359-438 billion to the country's GDP in 2029-30. Currently, sectors such as healthcare, retail, education and agriculture are using GenAI tools to optimise operations and gain competitive advantage.

#### (Financial Express)

FinMin sets vehicle condemnation, scrappage timeline;: The Finance Ministry has fixed a timeline for scrapping various types of vehicles and placing fresh orders. This is a part of new guidelines to write off losses under revised Delegation of Financial Power Rules (DOFR). These rules have set the threshold for writing off losses in case of theft, fraud, etc. According to DOFR 2024, the life of a motorcycle will be seven years or covering a distance of 1.20 lakh kilometers, whichever is earlier. In the case of Light Commercial Motor Vehicles (LCVs), it will be 6 1/2 years or 1.5 lakh kilometers of running. Similarly, in the case of Heavy Commercial Vehicles (HCVs), the duration would be 10 years or 4 lakh kilometers of running. For all other categories, the maximum life duration is 15 years, after which they will be scrapped. Vehicles that have been condemned also need to be scrapped once they are 15 years old.

(Business Line)





Tesla to scout sites in India for \$2 bn-\$3 bn EV plant by late April: Report: Billionaire Elon Musk-led Tesla will send a team to India this month to scout locations for a proposed \$2 billion to \$3 billion electric car plant, UK's Financial Times reported on Wednesday. India last month lowered import taxes on certain electric vehicles produced by carmakers that commit to invest at least Rs 4,150 crore along with three-year timeframe for starting commercial production. The company will



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send a team from the United States by late April to study sites for the plant, with a focus on states that have automotive hubs such as Maharashtra, Gujarat and Tamil Nadu, the report said, citing people familiar with the matter. Some automakers have plants in Haryana too but Tesla's factory would be at the other three states because they had ports, making it easier to export cars, the report said citing sources.

#### (Moneycontrol)

**Adani Green Energy becomes India's 1st 'das hazari' in renewables sector with over 10,000 MW portfolio:** Adani Green Energy Ltd on Wednesday said it has commissioned 2,000 MW of solar capacity at the giant Khavda solar park in Gujarat that has made it the first company in India with over 10,000 MW of renewable energy capacity. The company now has an operating portfolio of 10,934 MW, largest in India. It has brought 2,848 MW renewables capacity on stream in FY24, according to a company statement. AGEL's operational portfolio consists of 7,393 MW solar, 1,401 MW wind and 2,140 MW wind-solar hybrid capacity. AGEL's 10,934 MW operational portfolio will power more than 5.8 million homes and avoid about 21 million tonnes of CO2 emissions annually, the statement said.

#### (Economic Times)

**Blackstone to invest \$2 bn every year in India; wants quicker M&A clearances:** Blackstone Group plans to invest USD 2 billion annually in India, aiming to improve the ease of doing business for firms like it. The New York-based group has been operational in India for nearly two decades and has invested a total of USD 50 billion in the country. The value of its assets, after accounting for exits, stands at USD 30 billion. Over the next five years, the value of assets is expected to rise by USD 25 billion, including USD 17 billion in fresh bets and up to USD 7.5 billion value creation across portfolio companies.

#### (Economic Times)



# **REGULATION & DEVELOPMENT**

**India is considering windfall gains tax hike amid rising crude prices: Sources:** The government is contemplating an increase in windfall gains tax as crude oil prices surge, sources have revealed to CNBC-TV18. With crude prices surpassing the \$90 per barrel mark over the last fortnight, concerns have escalated, prompting discussions within governmental circles. The surge in crude prices has led to significant hikes in fuel costs domestically. Diesel prices have surged past the ₹102.9



per litre mark, while petrol has reached an unprecedented ₹100 per litre. This steep rise in fuel prices has sparked worries among policymakers, necessitating a review of existing taxation mechanisms. The last revision in windfall gains tax was effective from March 16. Presently, the levies under windfall gains tax stand at ₹4,900 per tonne for crude petroleum, increased from ₹4,600 per tonne in the previous revision. However, the windfall tax on diesel, petrol, and aviation turbine fuel (ATF) remained nil.

A windfall tax is levied on domestic crude oil if the rates of the global benchmark rise above \$75 per barrel. Export of diesel, ATF and petrol attract the levy if product cracks (or margins) rise above \$20 per barrel. Product cracks or margins are the difference between crude oil (raw material) and finished petroleum products.

#### (Moneycontrol)

**Centre launches myCGHS App to expand access to Electronic Health Records and Services:** The Union Health Ministry launched the innovative myCGHS app for iOS devices on Wednesday, aiming to boost access to Electronic Health Records, information, and resources for the beneficiaries of the Central Government Health Scheme (CGHS). Developed by the technical teams of the National Informatics Centre (NIC) Himachal Pradesh and NIC Health Team, the myCGHS app brings a bouquet of health services to the fingertips of CGHS beneficiaries. The utility-rich mobile application underscores the central government's commitment to leveraging technology to enhance the quality and accessibility of healthcare services. "The myCGHS app is not just an application, it's a monumental leap for CGHS in offering healthcare services. It furnishes ease of access to crucial healthcare amenities right from the comfort of one's mobile," said Apurva Chandra, Secretary, Ministry of Health and Family Welfare, at the digital launch of the app. "This initiative is in sync with the government's vision of harnessing the power of technology to ameliorate the quality and reach of healthcare services," he added.

#### (Business Today)

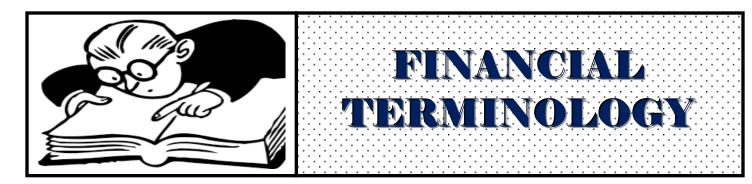


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### **ACTIVIST INVESTOR**

- An activist investor, typically a specialized hedge fund, buys a significant minority stake in a publicly traded company in order to change how it is run.
- The activist investor's goals may be as modest as advising company management or as ambitious as forcing the sale of the company, divestitures or restructuring, or replacing the board of directors.
- Unlike private equity firms that buy and restructure companies in order to profit when they are resold, activist investors seldom acquire full or majority stakes. Instead, they use public communications and private discussions to win over other shareholders and company insiders. When such efforts fail, an activist investor may pursue a proxy contest to elect new directors in order to force the company to meet their demands.
- Activist investors are sometimes called shareholder activists, a term also used to describe those lobbying companies to improve working conditions for the overseas employees of their contractors, or backers of a dissident board slate elected to fight climate change.



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MSF & Bank Rate: 6.75% CRR: 4.50% SLR: 18.00% Fixed Reverse Repo: 3.35%	<ul> <li>Certificate Course on Concurrent Audit of Banks</li> <li>Certificate Course on</li> </ul>	<ul> <li>Aide Memoire on Infrastructure Financing.</li> <li>Aide Memoire on lending to MSME Sector</li> </ul>
FOREX (FBIL 1.30 PM) INR / 1 USD : 83.4204 INR / 1 GBP : 104.8733 INR / 1 EUR : 89.8499 INR /100 JPY: 55.0100	Credit Management of Banks	<ul> <li>(including restructuring of MSME Credit).</li> <li>Guidance Note on the Internal Audit of Genera Insurance Companies.</li> <li>BFSI Chronicle</li> </ul>
EQUITY MARKET Sensex: 73876.82 (-27.09) NIFTY: 22434.65 (-18.65) Bnk NIFTY: 47624.25 (+78.80)	Investment Management	(quarterly issue of BFSIB)

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