



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
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DAILY NEWS DIGEST BY BFSI BOARD

06 March, 2023

1ST LABOUR 20 (L20) MEETING IS SCHEDULED TO BE HELD IN AMRITSAR:

The 1st Labour 20 (L20) meeting is scheduled to be held in Amritsar, Punjab, from 19th to 20th March 2023. L20 is one of the engagement groups under G20. It comprises leaders and representatives of trade union centers of G20 countries who provide analyses and policy recommendations aimed at addressing labor-related issues. Bharatiya Mazdoor Sangh (BMS) is the lead national trade union centre for organising the L20 inception meeting under India G20 presidency.

(PiB)

BANK CREDIT TO RETAIL, WHOLESALE TRADE JUMPS 16% IN FEBRUARY:

Retail and wholesale trade in the country secured Rs 7.77 lakh crore in gross bank credit in January this year, YoY by 16.8 % from Rs 6.65 lakh crore raised in January 2022, as per the latest data by the RBI. In contrast, the YoY credit growth to retail and wholesale trade in December 2022 stood at 13.7 per cent to Rs 7.68 lakh crore from 14.7 % during December 2021 at Rs 6.75 lakh crore.

(Financial Express)

SWAMIH FUND COMPLETES 20,557 HOMES SINCE INCEPTION IN 2019:

SWAMIH has so far provided final approval to about 130 projects with sanctions worth over Rs 12,000 crore. In three years since inception in 2019, the Fund has already completed 20,557 homes and aims to complete over 81,000 homes in the next three years across 30 tier 1 and 2 cities. The Special Window for Affordable and Mid-Income Housing (SWAMIH) Investment Fund I is India's largest social impact fund specifically formed for completing stressed and stalled residential projects. The Fund is sponsored by the Ministry of Finance, Government of India, and is managed by SBICAP Ventures Ltd., a State Bank Group company. The Fund has no precedent or comparable peer fund in India or in the global markets.

(PiB)

NCLAT REJECTS SHAREHOLDERS' PLEA AGAINST MCDOWELL HOLDINGS' INSOLVENCY PROCEEDINGS:

The National Company Law Appellate Tribunal (NCLAT) has rejected a plea by the shareholders of McDowell Holdings Ltd, challenging the initiation of the corporate insolvency resolution process (CIRP) against the firm. A two-member bench of the appellate tribunal upheld the order of the Bengaluru bench of the NCLT, which on April 8, 2022, directed to initiate CIRP over the plea filed by its financial creditor Sunstar Hotels and Estates. Nine shareholders, who together hold more than 15 per cent of the stake in McDowell



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Holdings Ltd (MHL), had moved the NCLAT against the order. While rejecting the plea, the NCLAT observed that the shareholders “do not have any ‘Locus’, and therefore the present appeals are not maintainable.”

(Financial Express)

BIS OFFERS 80% CONCESSION ON CERTIFICATION /MARKING FEE FOR MICRO ENTERPRISES:

To further encourage micro enterprises towards product quality, the national standards body Bureau of Indian Standards (BIS) will provide 80 per cent concession to micro units on their certification/minimum marking fee across various product certification schemes of BIS, Consumer Affairs minister Piyush Goyal said chairing a meeting to review BIS activities on Friday. Moreover, units based in the Northeast will continue to receive an extra 10 per cent concession, he said. Importantly, the government had slashed the annual minimum marking fee by 50 per cent for micro enterprises and also startups and women entrepreneurs in 2021.

(Financial Express)

NCLAT REFUSES RELIEF TO SBI IN JET’S TRANSFER OF OWNERSHIP:

The National Company Law Appellate Tribunal (NCLAT) refused to grant any interim relief to State Bank of India against the National Company Law Tribunal (NCLT) order on the transfer of ownership of Jet Airways to the Jalan Kalrock Consortium. The tribunal, however, added that it will consider SBI’s plea after the conclusion of the arguments. NCLAT allowed SBI to file reply-affidavits within two weeks as the next hearing will be done on April 11, 2023. The tribunal today passed its order on the case.

(Financial Express)

BANKS’ GNPAS DECLINE 26% IN DECEMBER:

Gross non-performing assets (GNPAs) of Indian banks fell by a whopping 26%, or Rs 2.14 trillion, to Rs 6.04 trillion as on Q3FY23 from a peak of Rs 8.19 trillion during Q1FY22, data compiled by FE showed. Largest lender State Bank of India saw its GNPAs reducing from Rs 1.34 trillion in Q1FY22 to Rs 98,347 crore as on December 31, 2022, while Punjab National Bank’s gross NPAs fell to Rs 83,584 crore from Rs 1.04 trillion during the same period. Overall, PSU banks’ GNPAs reduced by Rs 1.53 trillion since Q1FY22.

(Financial Express)

INDIA’S PER CAPITA INCOME DOUBLES SINCE 2014-15:

India’s per capita income in nominal terms doubled to Rs 1,72,000 since 2014-15 when the Narendra Modi-led NDA came to power but uneven income distribution remains a challenge. As per the National Statistical Office (NSO), the annual per capita (net national income) at current prices is estimated at Rs 1,72,000 in 2022-23, up from Rs 86,647 in 2014-15, suggesting an increase of



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about 99 per cent. In real terms (constant prices), the per capita income has increased by about 35 per cent from Rs 72,805 in 2014-15 to Rs 98,118 in 2022-23.

(Economic Times)

ADANI HAS \$2 BN FOREIGN-CURRENCY BONDS COMING UP FOR REPAYMENT IN 2024:

The Adani group, whose mostly debt-fueled breakneck expansion saw gross debt doubling in four years, has almost USD 2 billion worth of foreign-currency bonds coming up for repayment in 2024, according to a presentation the conglomerate made to investors. The apples-to-airport conglomerate borrowed over USD 10 billion in foreign currency bonds between July 2015 and 2022 across group companies. Of this, USD 1.15 billion of bonds matured in 2020 and 2022. There are no maturities in 2023 but three issuances - USD 650 million by the ports arm APSEZ and two of renewable energy unit Adani Green Energy Ltd (USD 750 million and USD 500 million - are due for payment in 2024.

(Business Standard)

INDIA IS DANGEROUSLY CLOSE TO HINDU RATE OF GROWTH, SAYS

RAGHURAM RAJAN: Sounding a note of caution, former Reserve Bank Governor Raghuram Rajan has said that India is "dangerously close" to the Hindu rate of growth in view of subdued private sector investment, high interest rates and slowing global growth. Rajan said that sequential slowdown in the quarterly growth, as revealed by the latest estimate of national income released by the National Statistical Office (NSO) last month, was worrying. The Gross Domestic Product (GDP) in the third quarter (October-December) of the current fiscal slowed to 4.4 per cent from 6.3 per cent in the second quarter (July-September) and 13.2 per cent in the first quarter (April-June). The growth in the third quarter of the previous financial year was 5.2 per cent. "Of course, the optimists will point to the upward revisions in past GDP numbers, but I am worried about the sequential slowdown. With the private sector unwilling to invest, the RBI still hiking rates, and global growth likely to slow later in the year, I am not sure where we find additional growth momentum," Rajan said in an email interview to PTI.

(Business Standard)

GOLD PRICES RISE BY RS 100 TO RS 56,550, SILVER REMAIN PRICES

UNCHANGED: Gold prices rose during Saturday's early trade by Rs 100 with ten grams of 24 carat gold selling at Rs 56,550, according to the Good Returns website. Silver prices remained unchanged with 1 kg of the precious metal trading at Rs 66,900. The price of ten grams of 22 carat gold rose by Rs 100 to trade at Rs 51,850.

(Business Standard)

INDIA'S RUSSIAN OIL IMPORTS HIT NEW HIGH IN FEB; NOW MORE THAN IRAQ, SAUDI PUT TOGETHER:

India's imports of crude oil from Russia soared to a



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record 1.6 million barrels per day in February and is now higher than combined imports from traditional suppliers Iraq and Saudi Arabia.

(Mint)

CENTRE SAVED \$27 BN IN SCHEMES USING DBT METHOD, SAYS ECONOMIC AFFAIRS SECY: India saved over USD 27 billion in key central government schemes through direct benefit transfer as it is swift and eliminates corruption, Ajay Seth, Secretary of Department of Economic Affairs said in his keynote address at the second meeting of the Global Partnership for Financial Inclusion, Seth said Digital Public Infrastructure (DPI), created by India is inherently scalable, interoperable, innovation-friendly, and inclusive and has completely transformed government to people, people to people and people to business interactions.

(Business Standard)



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FINANCIAL TERMINOLOGY/CONCEPTS

HINDU RATE OF GROWTH

- ❖ Hindu rate of growth is a term describing low Indian economic growth rates from the 1950s to the 1980s, which averaged around 4 per cent. The term was coined by Raj Krishna, an Indian economist, in 1978 to describe the slow growth.
- ❖ The Hindu rate of growth is a term used by advocates of liberalisation referring to the lower annual growth rate of the economy of India before the economic reforms of 1991.
- ❖ The usage of the term has been criticized by modern neoliberal economists as they believe that the cause of the low growth rate was the failed dirigist model and economic mismanagement.
- ❖ Though it can be argued that there are many complex factors that contribute to a country's economic performance. It is especially difficult to compare the economic growth of countries with very different histories, cultures, and economic structures, such as India and South Korea or Taiwan. The US provided significant amounts of aid to countries in Asia, including South Korea and Taiwan, as part of its efforts to counter Soviet influence during the Cold War. India, on the other hand, was a leader in the non-aligned movement and sought to maintain a neutral stance during the Cold War. As a result, it did not receive the same level of aid from the US and other Western countries as countries that were more closely aligned with the West.



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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 : 82.2643
INR / 1 GBP : 98.5208
INR / 1 EUR : 87.3241
INR /100 JPY : 60.2700

EQUITY MARKET

Sensex: 59808.97 (+899.62)
NIFTY: 17594.30 (+272.40)
Bnk NIFTY: 41251.30 (+861.50)

Courses conducted by BFSI Board

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- ❖ **Certificate Course on Treasury and International Banking**
- ❖ **Certificate Course on Investment Management**
- ❖ **Certificate Course on General Insurance.**

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- ❖ **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)**

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CMA Chittaranjan Chattopadhyay

Chairman,

Banking, Financial Services & Insurance Board

The Institute of Cost Accountants of India

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