



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



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

www.icmai.in

DAILY NEWS DIGEST BY BFSI BOARD

06 April 2024

BANKING & FINANCE



Chandra Shekhar Ghosh to step down as MD and CEO of Bandhan Bank after tenure ends in July: Bandhan Bank on April 5 said that the lender's Managing Director & Chief Executive Officer Chandra Shekhar Ghosh will retire from the post after completion of his current tenure on July 09, 2024. Ghosh, who is also the founder of Bandhan Bank, has been one of the foremost proponents of financial inclusion in India. He has more than 30 years of experience in the microfinance and development terrain. Earlier, on November 24, 2023, the board of bank, approved the reappointment of Chandra Shekhar Ghosh as the MD & CEO of the bank for a period of three years. "After leading the Bank for almost a decade including three consecutive tenure as MD & CEO, I feel that the time has now come for me to assume a larger strategic role at Bandhan group level. Hence, I have decided to retire from the services of Bandhan Bank at the end of my current tenure as MD & CEO, i.e. on July 09, 2024," Ghosh said in his resignation letter attached in the regulatory filing.

(Moneycontrol)

IOB's total business crosses ₹5 lakh cr mark in FY24: Chennai-headquartered Indian Overseas Bank has ushered in the new fiscal by surpassing the ₹5-lakh crore mark in total business for the first time in the year that ended on March 31, 2024. This is a major milestone in IOB's post-turnaround phase. "The Bank has achieved a business mix of over ₹5-lakh crore (unaudited), marking a new era of financial growth. From retail to MSME and priority sector, each segment has played a pivotal role in propelling the bank towards this remarkable achievement, according to a source with knowledge of the matter.

(Business Line)

HDFC Life receives GST demand notice of Rs 102.5 crore for FY19 period: HDFC Life Insurance Company on Friday announced that it has received a GST demand order from the Appellate Authority for Rs 102.5 crore for April 1, 2018 to March 31, 2019 period. "We wish to inform that the



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



www.icmai.in

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

company has received a GST order from State Tax – (2), Unit 8, Ahmedabad, Gujarat on April 04, 2024,” the company said in a regulatory filing. The demand order of Rs 102.5 crore includes tax demand of Rs 51.23 crore, interest of Rs 46.16 crore, and a penalty of Rs 5.12 crore.

(Financial Express)



ECONOMY

Resolution of the Monetary Policy Committee (MPC) April 3 to 5, 2024: Monetary Policy Committee (MPC) at its meeting on April 5, 2024 decided to:

- ❖ Keep the **policy repo rate under the liquidity adjustment facility unchanged at 6.50 per cent**. Consequently, the standing deposit facility (SDF) rate remains unchanged at 6.25 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 6.75 per cent.

These decisions are in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2 per cent, while supporting growth.

Outlook:

- ❖ As per the second advance estimates (SAE), real gross domestic product (GDP) **expanded at 7.6 per cent in 2023-24** on the back of buoyant domestic demand. Real GDP increased by 8.4 per cent in Q3, with strong investment activity and a lower drag from net external demand. On the supply side, gross value added recorded a growth of 6.9 per cent in 2023-24, driven by manufacturing and construction activity.
- ❖ Real **GDP growth for 2024-25 is projected at 7.0 per cent** with Q1 at 7.1 per cent; Q2 at 6.9 per cent; Q3 at 7.0 per cent; and Q4 at 7.0 per cent.
- ❖ Headline inflation softened to 5.1 per cent during January-February 2024, from 5.7 per cent in December.
- ❖ **CPI inflation for 2024-25 is projected at 4.5 per cent** with Q1 at 4.9 per cent; Q2 at 3.8 per cent; Q3 at 4.6 per cent; and Q4 at 4.5 per cent

(RBI Press Release)

Highlights of Statement on Developmental and Regulatory Policies: The highlights of Statement on Developmental and Regulatory policies announced by RBI on 5th April are hereunder;



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



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

www.icmai.in

- ❖ **Trading of Sovereign Green Bonds (SGrBs) in IFSC:** At present, foreign portfolio investors (FPIs) registered with SEBI are permitted to invest in SGrBs under the different routes available for investment by FPIs in government securities. With a view to facilitating wider non-resident participation in SGrBs, it has been decided to permit eligible foreign investors in the International Financial Services Centre (IFSC) to also invest in such bonds.
- ❖ A **mobile application of the Retail Direct portal** is being developed. The app will enable investors to buy and sell instruments on the go, at their convenience. The app will be available for use shortly.
- ❖ **Review of LCR Framework:** Banks covered under Liquidity Coverage Ratio (LCR) framework are required to maintain a stock of high quality liquid assets (HQLA) to cover the expected net cash outflows in the next 30 calendar days. Certain modifications to the LCR framework are being proposed towards facilitating better management of liquidity risk by the banks.
- ❖ **Dealing in Rupee Interest Rate Derivative products – Small Finance Banks:** Extant guidelines permit Small Finance Banks (SFBs) to use only Interest Rate Futures (IRFs) for the purpose of proprietary hedging. It has now been decided to allow them to deal in permissible rupee interest derivative products in terms of Rupee Interest Rate Derivatives (Reserve Bank) Directions, 2019.
- ❖ **Enabling UPI for Cash Deposit Facility:** The facility of cash deposit is presently available only through use of debit cards. It is now proposed to facilitate cash deposit facility through use of UPI.
- ❖ **UPI access for Prepaid Payment Instruments (PPIs) through third-party applications:** At present, UPI payments from bank accounts can be made by linking a bank account through the UPI App of the bank or using any third-party UPI application. However, the same facility is not available for PPIs. To provide more flexibility to PPI holders, it is now proposed to permit linking of PPIs through third-party UPI applications. This will enable the PPI holders to make UPI payments like bank account holders.
- ❖ **Distribution of CBDCs through Non-bank Payment System Operators:** It is proposed to make CBDC-Retail accessible to a broader segment of users in a sustained manner, by enabling non-bank payment system operators to offer CBDC wallets.

(RBI Press Release)

In a first, India's demat tally surges past 150 million mark in March: The number of dematerialised (demat) accounts – required to hold shares and other securities in electronics format – crossed the 150-million mark for the first time in March. In March, 3.12 million new demat accounts were added despite a spike in market volatility, taking the total count to 151.4 million. The milestone has come 19 months after the total number of demat accounts hit the 100-million mark, a sign that more domestic households are taking to direct equity investing. In FY24 alone, nearly 37



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



www.icmai.in

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

million new accounts were added — the most for any financial year on an absolute basis — and an increase of 32 per cent over the previous financial year.

(Business Standard)

Eight per cent growth projection for India not ours: IMF: The recent remarks of Krishnamurthy Subramanian, Executive Director at the International Monetary Fund, about India's growth figures does not represent the views of the IMF and were in his role as India's representative at the global body, the IMF has said. "The views conveyed ...by Mr. Subramanian were in his role as India's representative at the IMF," Julie Kozack, IMF spokesperson, told reporters here on Thursday. She was responding to a question on recent remarks by Subramanian, in which he projected a growth rate of 8 per cent for India, which is different from the last growth rate projections by the IMF. Subramanian, at a event in New Delhi on March 28, had said Indian economy could grow at 8 per cent till 2047, if the country redoubles the good policies that it has implemented over the last 10 years and and accelerate reforms.

(Economic Times)

INDUSTRY OUTLOOK



Earnings of India's top 500 companies growing faster than US peers': Profits of India's top listed companies have been growing at a faster pace than those of their American peers, but when it comes to revenue growth, the order has reversed recently. The combined net profit of the S&P 500 companies was up 14.1 per cent year-on-year (Y-o-Y) during the trailing 12 months (TTM) ended December 2023, as against 17.4 per cent profit growth logged by the BSE 500 companies in the same period. This is the second consecutive year of faster profit growth for the BSE 500 companies.

(Business Standard)

Vedanta's Hebbar chosen as WEF's Young Leader: Priya Agarwal Hebbar, chairperson, Hindustan Zinc, and non-executive director, Vedanta Limited, has been selected as one of the five Indians to join the prestigious Young Global Leaders Class of 2024 by the World Economic Forum – a group of nearly 90 changemakers who are shaping the future and accelerating positive change through their ground-breaking work. Established by the World Economic Forum in 2004, the Young Global Leaders Forum represents leaders under 40 from various fields, all dedicated to creating a lasting impact on their communities and beyond.

(Financial Express)



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



www.icmai.in

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



REGULATION & DEVELOPMENT

Govt extends free import duty regime on yellow peas till June: The government on Friday extended duty-free import of yellow peas used as substitute of chana (gram) by two months to June 30, according to a Directorate General Foreign Trade (DGFT) notification. “All imports of yellow peas where the bill of lading (shipped on board) is dated on or before June 30, shall be subject to compulsory registration under the online import monitoring system,” according to DGFT. In December, last year, the government allowed duty free import of yellow peas till March 31, 2024. Subsequently the government extended it till April 30, 2024.

(Financial Express)

Countries showing interest in GeM model for public procurement: Govt: The “scorching growth” of India’s public procurement portal Government e Marketplace (GeM) has drawn the attention of many other countries in Africa and Asia and many of them are looking to replicate the model, an official source said. “There is a huge amount of interest expressed by other countries on how India has achieved this success in public procurement. We have had queries from several quarters,” he said. In 2023-24 government procurement through GeM touched Rs 4 trillion, which was double of what was achieved in 2022-23. In FY 23 the procurement had doubled from the previous year.

(Financial Express)

India allows exports of essential goods to Maldives despite strained ties: India has allowed limited exports of essential commodities, including sugar, wheat, rice, and onions, to the Maldives, the government said on Friday, even as ties between Male and New Delhi remained tense amid rising Chinese influence. India, a leading exporter of rice, sugar and onions, has imposed various curbs on exports of these food commodities to keep a lid on local prices ahead of general election. Shipments of these commodities in the 2024/25 financial year which started on April 1 to Maldives “will be exempted from any existing or future restriction/prohibition on export,” the government said in a notification.

(Economic Times)



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)

www.icmai.in

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



Fax



FINANCIAL TERMINOLOGY

OVERWEIGHT STOCK RATING

- ❖ Financial analysts give their opinions of the future performance of a security. They can give performance ratings of underweight, overweight, or market perform to a security. If analysts give a stock an overweight rating, they expect the stock to outperform its industry in the market. Analysts may give a stock an overweight recommendation due to a steady stream of positive news, good earnings, and raised guidance.
- ❖ An overweight rating indicates that an analyst has a high conviction that a stock can outperform a market benchmark or its peers over the next six to 12 months.



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 : 83.4073
INR / 1 GBP : 105.2367
INR / 1 EUR : 90.3068
INR /100 JPY: 55.1500

EQUITY MARKET

Sensex: 74248.22 (+20.59)
NIFTY: 22513.70 (-0.95)
Bnk NIFTY: 48493.05 (+432.25)

**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 ICMAI
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)
 - ❖ Handbook on Stock & Book Debts Audit (Revised and Enlarged 2nd Edition)
- To purchase please visit
BFSIB portal of ICMAI

TEAM BFSIB

**Banking, Financial Services & Insurance Board
The Institute of Cost Accountants of India (ICMAI)**

Disclaimer: Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICMAI 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 ICMAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.