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

DAILY NEWS DIGEST BY BFSI BOARD

07 March 2024

BANKING & FINANCE

Banks must give customers choice to select credit card network: RBI: RBI on Wednesday asked banks and non-banking financial companies (NBFCs) to provide customers with the option to choose from multiple networks for credit cards. The RBI has prohibited card issuers and networks from making any arrangement or agreement that restrains customers from availing the services of other card networks. “Card issuers shall provide an option to their eligible customers to choose from multiple card networks at the time of issue,” the RBI said. For existing cardholders, this option may be provided at the time of renewal. The regulator’s directive will be effective six months from now, that is, from September 6.
(Business Standard)

Farmers’ enrolment in Fasal Bima scheme rises 27% in 2023-24: The government on Tuesday said there was a 27 per cent increase in farmers enrolled under the flagship crop insurance scheme PMFBY and the share of non-loanee farmers was 42 per cent in the total enrollment during 2023-24, both kharif and rabi seasons. However, the increase this year has been attributed by experts to Maharashtra and Odisha’s decision to completely bear the farmers’ share of premium. “During the past eight years of implementation of the Pradhan Mantri Fasal Bima Yojana (PMFBY), 56.80 crore farmer applications have been enrolled and over 23.22 crore farmer applicants received claims,” the agriculture ministry said in a statement. About Rs 31,139 crore was paid by farmers as their share of premium, against which claims of over Rs 1,55,977 crore was disbursed to them by insurance companies, the government said. The number of farmer applications has grown 33.4 per cent in 2021-22 and 41 per cent in 2022-23 (y-o-y basis).
(Business Line)

JM Financial: RBI concerned about KYC, AML rule violations, wide sharing of customers' details, says report: A day after the Reserve Bank of India (RBI) banned JM Financial Products Ltd (JMFPL) from giving loans against shares and debentures, official sources said that the

central bank was concerned about serious irregularities within the company. Irregularities ranged from Know Your Customer (KYC) violations to anti-money laundering (AML) norms to wide sharing and usage of customer data across its entities. An official quoted in the report said that the banking regulator found significant deviations in the loan sanctioning process of the company during its review, following which the step was taken. “There are serious violations of KYC and AML guidelines, deviations in the loan sanction process and also sharing and usage of customer data across the group entities,” the official told Moneycontrol. On Tuesday, the RBI said the action was taken after observing certain serious deficiencies in the financial services firm's loan process. More importantly, the central bank highlighted that there are serious concerns on the governance issues in the company, apart from violation of regulatory guidelines.
(Business Today)

India's FY24 GDP growth could be 'very close' to 8%, says RBI Governor: The Indian economy's GDP growth in the current fiscal year ending in March could be "very close" to 8%, RBI governor Shaktikanta Das said in an interview with television channel ET Now on Wednesday. India's economy grew at 8.4%, its fastest pace in 18 months, in the final three months of 2023, led by strong manufacturing and construction activity. Following this data, the government revised its growth estimate for the 2024 fiscal year to March 31 to 7.6% from 7.3%. "Our sense and understanding of the high frequency indicators and the momentum of economic activity tells us that this 5.9% growth (expected) in Q4 could be exceeded and when that happens, obviously, the (full year) growth will be more than 7.6%," Das said. "And I think there is quite a good chance of the growth, GDP number for the current year, being very close to 8%."
(Moneycontrol)

CRISIL raises India's GDP growth forecast to 6.8% from 6.4% for FY25: Rating agency CRISIL on Wednesday raised its economic growth forecast for India in the next financial year (FY25) to 6.8 per cent from 6.4 per cent estimated earlier, citing higher growth momentum. In its India Outlook report, it, however, said growth will moderate in FY25 from 7.6 per cent in the current financial year (FY24) as higher interest rates and lower fiscal impulse will temper demand and the net tax impact will normalise. The report also expects the Indian economy to grow at an average rate of

6.7 per cent till the end of this decade. India will become an upper middle-income country and nearly double its economy to $7 trillion, piggybacking on significant private investments in emerging sectors, continuing government spending on infrastructure build-up, ongoing reforms push and efficiency gains from increasing digitisation and physical connectivity, it said.
(Business Standard)

India mulls quota-based duty cuts on gold imports to Switzerland under EFTA: India is mulling giving quota-based duty concessions on gold imports from Switzerland under the proposed free trade agreement European Free Trade Association (EFTA) and has also sought an investment commitment of $50 billion in the first ten years after the implementation of the agreement and another $50 billion in the next five years, officials said. Iceland, Liechtenstein, Norway, and Switzerland comprise the EFTA. Switzerland had sought duty concessions on inbound shipments of gold, which accounts for about 80% of India's total imports from Switzerland. Quota based concessions to Switzerland are crucial as India has already extended 1% duty concession to gold importers under tariff rate quota in its trade pact with the UAE. "Since the UAE already enjoys such concessions, it is important these are extended to EFTA in lieu of investment stability," said an official. At present, gold imports are subject to a 12.5% basic customs duty and a 2.5% cess. Gold imports.
(Economic Times)

INDUSTRY OUTLOOK

IOC to become first Indian firm to manufacture fuel for Formula 1 cars: Indian Oil Corporation Ltd (IOC) - the nation's top oil firm - will in three months start manufacturing fuel used in adrenaline-pumping Formula One or F1, motor racing as it looks to expand its basket of niche fuels. IOC, which already has three branded fuels, including high-selling XtraGreen diesel, on Wednesday unveiled 'Storm' petrol that it will supply for the Asian region motorcycle road racing championship.
(Business Standard)

Nine states get nod for strategic investment plan for MSME units: The Centre provides funding support for SIPs under the Raising and Accelerating MSME Performance (RAMP) scheme, which is a World Bank-supported central sector scheme with an outlay of Rs 6,062 crore over five years from 2022-23 to 2026-27.The scheme focuses on issues relating to MSMEs such as financing, marketing and upgrading technology. It was launched to enhance the outreach of existing schemes of

the ministry of micro, small and medium enterprises through active state participation, thereby improving the performance of MSMEs. The Centre Wednesday approved Strategic Investment Plans (SIPs) of nine states, including Rajasthan, West Bengal and Gujarat, that seek to bring down the cost of compliance and improve access to credit for micro, small and medium enterprises there, a government official told.
(Economic times)

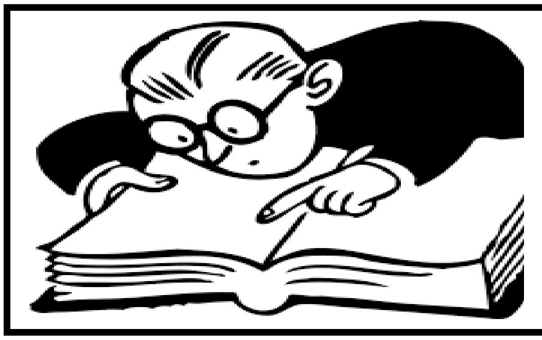
Diamond exports set to fall by 25-30% to multi-year low this fiscal: The country's cut and polished diamond (CPD) export is set to fall by 25-30 per cent this fiscal to a multi-year low of USD 15-16 billion due to the massive demand slump in the largest consuming markets of the US and China, and is unlikely to get better even next fiscal, says a report. Accordingly, the outlook for the CPD industry is negative as the exports will plunge to a multi-year low in the current fiscal, Care Ratings said in a note Wednesday, adding it does not expect a significant recovery in FY25 either. India is the world's largest centre for diamond cutting and polishing, accounting for around 95 per cent of the world's polished diamond production, while the US and China are the primary consuming markets, together accounting for around 65 % of the country's exports.
(Economic times)

REGULATION & DEVELOPMENT

Initial penalties on cos won't be on global turnover: CCI's new guidelines: While determining monetary penalties, the Competition Commission of India (CCI) will reckon on factors such as how long the rules were violated, whether the offence has been repeated, and the extent of cooperation by the company, the latest guidelines issued by the antitrust watchdog on Wednesday said. The penalty for anti-competitive practices will not initially be imposed on global and total turnover but adjusted over the penalty calculated on the relevant turnover of the company.
(Business Standard)

Unspent Central funds to states to be settled in real time from Apr 1: Starting April 1, the settlement of unspent funds from the Centre to states through the single nodal agency (SNA) will occur within a day, eliminating the need to park it outside the government account for more than 24 hours. This move aims to make fund usage more efficient and transparent. The Department of

Expenditure and the Reserve Bank of India are upgrading the SNA system to settle the unused amount in real time, thereby preventing disputes over interest payments on unspent funds.
(Economic Times)



FINANCIAL TERMINOLOGY

DARKWEB

❖ The dark web or darknet is a part of the World Wide Web only accessible through special software or tools. This keeps its users and visitors hidden because they often exchange illegal and stolen information, such as people's personally identifiable information. This information may include Social Security numbers, phone numbers, and credit card numbers.

❖ The dark web is also used in certain extortion-related processes. It is common to observe data from ransomware attacks on several dark web sites, for example data sales sites or public data repository sites.

❖ Commercial darknet markets mediate transactions for illegal goods and typically use Bitcoin as payment. Bitcoin is one of the main cryptocurrencies used in dark web marketplaces due to the flexibility and relative anonymity of the currency.

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

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 : 82.9078
INR / 1 GBP : 105.3349
INR / 1 EUR : 90.0113
INR /100 JPY: 55.3100

EQUITY MARKET

Sensex: 74085.99 (+408.86)
NIFTY: 22474.00 (+117.70)
Bnk NIFTY: 47965.40 (+384.40)

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 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.*