



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

October 07, 2022

WORLD BANK DOWNGRADES INDIA'S ECONOMIC GROWTH FORECAST TO 6.5%

FOR FY23: The World Bank on Thursday projected a growth rate of 6.5 per cent for the Indian economy for the fiscal year 2022-23, a drop of one per cent from its previous June 2022 projections, citing deteriorating international environment. Focus. The Indian economy grew by 8.7 per cent in the previous year.

(Moneycontrol)

SEBI ORDERS BRICKWORK RATINGS TO WIND UP, IN FIRST SUCH ACTION AGAINST A CREDIT RATING AGENCY:

Market regulator, SEBI issued a winding up order against Brickwork Ratings citing major lapses in its operations including in the case of Bhushan Steel. The action follows probes by the market regulator, along with banking regulator, Reserve Bank of India. In the past, the regulator has imposed monetary penalty on raters but revoking permit is first time. The market regulator has asked Brickwork Ratings to shut down operations within six months in its order.

(Moneycontrol)

PRASHANT KUMAR APPOINTED YES BANK MD & CEO FOR 3 YEARS:

Veteran banker Prashant Kumar has been appointed the Managing Director & Chief Executive Officer of Yes Bank for a period of three years. The Reserve Bank of India (RBI) on October 6 approved the appointment of Kumar with effect from today. The appointment will, however, be subject to the approval of shareholders. Prashant Kumar was appointed the Managing Director & Chief Executive Officer of YES Bank post the reconstruction in March 2020.

(Moneycontrol)

BIMA SUGAM MAY MAKE POLICY BUYING EASIER, CUT COMMISSIONS:

The Insurance Regulatory and Development Authority of India (IRDAI) has proposed to set up an online platform or marketplace for selling all kinds of insurance products. Tentatively called 'Bima Sugam', the digital platform, backed by the regulator, the Life Insurance Council and General Insurance Council, will allow individuals to buy policies directly from insurance companies of their choice.

(Moneycontrol)

RBI LAUNCHES 'DAKSH' TO MONITOR COMPLIANCE REQUIREMENTS:

The Reserve Bank of India (RBI) on 6 October launched a web-based end-to-end workflow application, 'DAKSH', to make the supervisory processes more robust. The central bank said in a release that this application will monitor compliance requirements in a more focused manner with the objective



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of further improving the compliance culture in Supervised Entities (SEs) like Banks, NBFCs, etc. The application will also enable seamless communication, inspection planning and execution, cyber incident reporting and analysis, provision of various MIS reports etc.

(Moneycontrol)

CENTRE RELEASES RS 7,183 CR AS REVENUE DEFICIT GRANT TO 14 STATES:

The Union Finance Ministry on Thursday released the seventh monthly instalment of post devolution revenue deficit (PDRD) grant of Rs 7,183.42 crore to 14 states. The grant has been released as per the recommendations of the 15th Finance Commission. The panel had recommended a total grant of Rs 86,201 crore to 14 states for 2022-23. The recommended grant is released by the Department of Expenditure to the recommended states in 12 equated monthly installments. With the release of seventh installment for the month of October 2022, the total amount of revenue deficit grants released to the states in 2022-23 has gone up to Rs 50,282.92 crore.

(Business Standard)

AXIS MUTUAL FUND LAUNCHES AXIS NASDAQ 100 FUND OF FUND:

Axis Mutual Fund, announced the launch of the Axis NASDAQ 100 Fund of Fund (an open-ended fund of fund scheme investing in units of ETFs focused on the Nasdaq 100 TRI). The fund would focus on replicating the performance of the NASDAQ 100 TRI by investing in ETFs whose primary objective would be to track/replicate the performance of the Nasdaq 100 TRI, subject to tracking errors.

(Financial Express)

NATIONAL LOK ADALAT TO BE HELD ON 12TH NOVEMBER 2022 ACROSS THE COUNTRY:

National Lok Adalat will be held on 12th November 2022 across the country to dispose off pending cases through settlement. Department of Consumer Affairs to refer pending consumer cases to National Lok Adalat for disposal through settlement. To have maximum outreach and benefit consumers, Department is reaching out to consumers, companies, and organizations through SMS and emails. Department has the phone numbers and emails of 3 lakh parties whose cases are pending before the commissions. The Department has done a Video Conferencing with the Consumer Commissions which has more than 200 pending cases.

(PiB, GoI)

KVIC REGISTERS THE HIGHEST EVER SINGLE-DAY SALE OF RS 1.34 CRORE AT THE CP OUTLET, NEW DELHI:

This year on 2nd October, CP Outlet of Khadi India has once again set a new record of Khadi sales in a single day. It is noteworthy that the Prime Minister Shri Narendra Modi has appealed on several occasions from national and international forums to buy Khadi and Village Industries products and has mentioned about promoting this sector, which was during the year 2014 at stagnation pace. After the new Government took over, there has been tremendous growth in sale of Khadi. It is also significant to mention that, since October 2016, the



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one-day sales at khadi India's flagship outlet in Connaught Place, New Delhi has crossed Rs 1.00 crore marks on several occasions.

(PiB, Gol)

CORPORATE INSOLVENCY: IPEs ALLOWED TO ENROL AS “PROFESSIONAL MEMBER” of IPAs: Insolvency regulator IBBI has taken the next logical step to facilitate insolvency professional entity (IPE) to take up the role of resolution professionals in corporate insolvencies. It has amended the Model Bye Laws regulations on Insolvency Professional Agencies (IPAs) to allow an IPE to be enrolled as a “professional member” with the agencies.

(Business Standard)

RBI DIRECTS CREDIT INFORMATION COMPANIES TO APPOINT INTERNAL OMBUDSMAN: RBI on Thursday has directed all the credit information companies to appoint an internal ombudsman by April 1, 2023. According to the central bank, the internal ombudsman shall be either a retired or a serving officer, not below the rank of deputy general manager or equivalent in any financial sector regulatory body, credit information companies, a non-banking financial company (NBFC) or bank, with necessary skills and experience of at least seven years in banking, non-banking finance, financial sector regulation or supervision, credit information, or consumer protection. The appointment will be for a fixed term of not less than three years, but not exceeding five years. The internal ombudsman cannot be removed before the completion of the contracted term without the RBI's explicit approval.

(Business Standard)

56 MN INDIANS MAY HAVE TURNED POOR IN 2020 DUE TO PANDEMIC: WORLD BANK: About 56 million Indians may have plunged into extreme poverty in 2020 as a result of the pandemic, increasing the global tally by 71 million and making it the worst year for poverty reduction since World War II, according to fresh estimates by the World Bank. “The global goal of ending extreme poverty by 2030 is likely to be missed: By then, about 600 million people will remain in abject poverty. A major course correction is needed,” Indermit Gill, chief economist at the World Bank, tweeted.

(Business Standard)

UJJIVAN SFB REPORTS 44 % YOY GROWTH IN ADVANCES IN Q2: Ujjivan Small Finance Bank posted 44 per cent year-on-year (YoY) growth in advances at Rs 20,938 crore in the second quarter ended September 2022 (Q2 FY23). Sequentially, its loan portfolio expanded by eight per cent over Rs 19,409 crore at end of June 2022 (Q1 FY23). As for raising funds, Ujjivan saw 45 per cent YoY growth in deposits to Rs 20,389 crore at the end of Q2 FY23.

(Business Standard)



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IMF TO FLAG RECESSION RISKS, \$4 TRILLION OF POTENTIAL GLOBAL OUTPUT LOSS MAY EQUAL GERMANY'S ECONOMY: The International Monetary Fund will downgrade growth projections for 2023 and flag increasing recession risks next week amid constant shocks to the world economy that likely stares at an output loss of about \$4 trillion by 2026 which is equivalent to the size of the German economy.
(Economic Times)



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FINANCIAL TERMINOLOGY/CONCEPTS

HOLDER OF A NEGOTIABLE INSTRUMENT

- ❖ The definition, rights and obligations of a holder of negotiable instrument is described in Section-8 of Negotiable Instruments Act 1881.
- ❖ Holder of a negotiable instrument is a person who is entitled in his own name to the possession of the instrument and to receive the amount due thereon from the parties thereto. The holder is entitled to receive the amount due even when the instrument is lost, stolen or destroyed and is not in his possession provided that his name appears in the instrument as payee or endorsee and the endorsement is genuine. However, in case of a bearer cheque, a holder can receive the amount even without his name being mentioned in the instrument. This implies that mere possession of an instrument doesn't make a person its holder. The holder should have the right or title to receive the amount mentioned in the instrument.
- ❖ In case of death of holder, his/her legal heirs become its holder irrespective of the person possessing the instrument. When the holder is insolvent, the official liquidator becomes the payee.
- ❖ Rights of a holder: A holder can;
 - Obtain a duplicate of the lost instrument (Section 45A)
 - Can cross the cheque, convert a general crossing to special crossing, endorse and negotiate.
 - Can sue in his own name in relation to the instrument.
 - Holder can complete an inchoate instrument.
 - Can give proper discharge to the person making the payment.



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RBI KEY RATES

Repo Rate: 5.90%
SDF: 5.65%
MSF & Bank Rate: 6.15%
CRR: 4.50%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 81.7044
INR / 1 GBP : 92.5221
INR / 1 EUR : 80.9603
INR /100 JPY: 56.5300

EQUITY MARKET

Sensex: 58222.10 (+ 156.63)
NIFTY : 17331.80 (+ 57.50)
Bank NIFTY: 39282.80 (+ 172.75)

(CMA Chittaranjan Chattopadhyay)

Chairman,

Banking, Financial Services & Insurance Board

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