



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

DAILY NEWS DIGEST BY BFSI BOARD

December 16, 2022

GOVERNMENT LIKELY TO SLOW PRIVATISATION AND DIVESTMENT AS ELECTION DRAWS NEAR:

Budget 2023 will likely set a very conservative target for divestment and defer privatisation of banks and insurance companies a year ahead of general elections, government sources said. “Divestment pool is shrinking; from 2014 onwards, nearly Rs 4.5 lakh crore has been divested. The residual companies that are yet to be divested are largely in the small and mid-cap space. “It’s not easy to divest equity in these companies, it can lead to a collapse of stock prices,” added the person cited above. The Centre had proposed privatisation of two public sector banks and one general insurance company in the 2021-22 budget and unveiled a public sector enterprise policy aimed at reducing the presence of government in running businesses. But bank privatisation too, in all likelihood, will be put on the back burner. Officials say that the focus now is to deliver on divestments that are underway, with IDBI Bank’s sale being a big priority.

(Moneycontrol)

EUROPEAN CENTRAL BANK RAISES INTEREST RATES BY SLIGHTLY SLOWER PACE:

The European Central Bank slowed its record pace of interest rate hikes only slightly Thursday, joining the US Federal Reserve and other central banks around the world in reinforcing an inflation crackdown while glimpsing headway against the high prices that are plaguing consumers. The Bank of England and Swiss National Bank also dialled back to half-point increases from three-quarters Thursday, as did the Fed a day earlier in a blitz of central bank action this week.

(Moneycontrol)

NIRAV MODI LOSES BID TO TAKE EXTRADITION FIGHT TO UK SUPREME COURT:

The high court in London on December 15 refused Nirav Modi the permission to appeal to the UK Supreme Court. On November 9, 2022, Lord Justice Stuart Smith and Justice Jay had given the go ahead to Modi’s extradition to India, who is wanted in the country to stand trial on fraud and money laundering charges. After that judgment, Modi had to apply to the high court for permission to appeal in the Supreme Court, which was denied. “Appellant’s application for certification of point of law is refused. And the appellant’s permission to appeal to the Supreme Court is refused.” Modi is lodged in Wandsworth prison since his arrest in March 2019, and Thursday’s decision brings him a step closer to be extradited to India.

(Moneycontrol)

EXPORTS REGISTER MODEST GROWTH AT \$32 BILLION IN NOVEMBER; TRADE DEFICIT NARROWS:

India’s merchandise exports registered a modest growth in



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

November after recording a sharp contraction in the previous month, helping the trade deficit to narrow month on month. Merchandise exports stood at \$31.99 billion last month, up 0.59% from \$31.8 billion in November 2021, according to the data released by the government on Thursday. Imports rose a marginal 3.6% to \$55.88 billion in November. Trade deficit stood at \$23.89 billion during the month, down from \$26.91 billion in October. During April-November 2022, exports stood at \$295.26 billion against \$265.77 billion in the same period last year, recording a growth of 11%.

(Economic Times)

IDBI BANK FILES INSOLVENCY PROCEEDINGS AGAINST ZEE: IDBI Bank, has filed an application seeking initiation of insolvency proceedings against Zee Entertainment Enterprises (ZEEL) to claim a default of ₹149.60 crore. The bank's purported claim arises under a debt service reserve agreement entered into by the bank and ZEEL for a financial facility availed by SITI Networks, ZEEL said in a regulatory update.

(Financial Express)

NABARD OFFICERS TO GO ON STRIKE ON FRIDAY TO PRESS FOR WAGE RELATED ISSUES: All India NABARD Officers' Association (AINBOA) has threatened to go on a nation-wide strike on Friday to press for correction in wage anomalies. The officers of NABARD has been on agitation ever since the Department of Financial Services (DFS) order was issued on September 14, 2022. After many representations and rounds of dialogues with the officials of DFS over the last two months, they are left with no other choice but to go on strike which will be followed by a march to Parliament and a hunger strike, AINBOA said in a statement on Thursday.

(Financial Express)

RELIANCE LAUNCHES FMCG BRAND 'INDEPENDENCE' IN GUJARAT; PLANS NATIONAL ROLLOUT: Reliance Retail on Thursday announced the launch of its consumer packaged goods brand 'Independence' in Gujarat, with plans for national rollout as part of its ambition in the FMCG segment. The brand has been launched by Reliance Consumer Products Ltd, the FMCG arm and subsidiary of the country's leading retailing firm Reliance Retail Ventures Ltd (RRVL). Under the 'Independence' brand, the company will offer a range of products under several categories, including staples, processed foods and other daily essentials, it said in a statement. The company also plans to develop Gujarat as a "go-to-market" state to create excellence in execution for its FMCG business, as it prepares for a national rollout for the brand, it added.

(Financial Express)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

FASTAG TRANSACTIONS AT ALL-TIME HIGH IN NOVEMBER: The FASTag monthly toll transaction hit an all-time high of 285.83 million in November, beating by a whisker the previous high of 285.37 million reported in May this year. The monthly volume saw a decline during June and July but bounced back in August. However, in September it dropped only to pick up in October and November according to NPCI.

(Business Line)

SEBI PENALISES 10 ENTITIES FOR MANIPULATING MILLITOONS ENT'S STOCK PRICES: SEBI on Thursday levied fines totalling Rs 85 lakh on 10 entities for manipulating the share price of Millitoons Entertainment Ltd (MEL) (now known as Colorchips New Media Ltd). The order came after SEBI carried out an investigation in the scrip during March-April 2018. The regulator found that Preyashbhai, Sejalben, Prajapati, Vaghela, Koshti, Mukeshkumar, Tundiya, Harishkumar and Rekhaben executed 97 synchronised trades which contributed 21.63 per cent of the market volume in the scrip of MEL at BSE.

(Business Standard)

CONSUMER PROTECTION AUTHORITY SEEKS EXPLANATION FROM FLIPKART ON ACID SALE: The Central Consumer Protection Authority (CCPA) has sought explanation from e-commerce player Flipkart regarding sale of acid on its online platform, sources said. The explanation follows reports that in recent acid attack on a girl in Dwarka, Delhi, the accused had bought acid from Flipkart.

(Business Standard)

RBI TO ISSUE NEXT TRANCHE OF SOVEREIGN GOLD BONDS FROM DEC 19-23: The Reserve Bank will issue two tranches of Sovereign Gold Bonds, which will open for public subscription in December and March. Sovereign Gold Bonds (SGBs) 2022-23-Series III will open for subscription during December 19 to December 23 and 2022-23-Series IV during March 06-10, 2023, the finance ministry said in a statement. *(Business Standard)*

INCREASE PERSONAL I-T EXEMPTION LIMIT TO RS 5 LAKH IN BUDGET: ASSOCHAM: Assocham on Thursday made a strong case for doubling the income tax exemption limit to Rs 5 lakh in the forthcoming Budget so that the economy gets a consumption boost. Currently, the maximum amount of income which is not chargeable to income tax is Rs 2.5 lakh. In case of persons in the age bracket of 60-80 years, it is Rs 3 lakh and Rs 5 lakh for senior citizens who are above the age of 80.

(Business Standard)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

INDIA'S Q3 CURRENT ACCOUNT DEFICIT LIKELY ROSE ON WIDENING TRADE GAP: POLL:

India's current account deficit likely rose to its highest in nearly a decade in the July-September quarter as elevated commodity prices and a weak rupee stretched the trade gap even further, a Reuters poll of economists found. The median forecast of 18 economists in a Dec. 5-14 Reuters poll was for a \$35.5 billion current account deficit in the July-September quarter, or 4.3% of gross domestic product (GDP), the most in nearly a decade. Forecasts ranged from \$24.5-\$40.0 billion, or 3.3%-4.7% of GDP. For the April-June quarter, the deficit was \$23.9 billion, about 2.8% of GDP.

(Business Standard)

NIFTY, SENSEX SEE A SHARP FALL IN LAST HOUR OF TRADE: Domestic equity indices BSE Sensex and NSE Nifty ended lower as bears took over Dalal Street. The markets extended their losses intraday as Sensex gave up the 62,000 level, losing 800 points, settling at 61,799 while Nifty tanks 1.14% to close at 18,414 on the weekly F&O expiry. The fall comes as US Federal Reserve Chairman Jerome Powell signaled continuing rate hikes to combat inflation.

(Financial Express)



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

FINANCIAL TERMINOLOGY/CONCEPTS

ZED SCHEME FOR MSMEs

- ❖ As the MSMEs are amongst the strongest drivers of economic development, innovation and employment, it becomes imperative to strengthen their ecosystem. The Government of India envisioned the Zero Defect Zero Effect (ZED) initiative to enhance MSME competitiveness, make them sustainable and transform them as National and International Champions.
- ❖ Addressing the nation on India's 68th Independence Day, Hon'ble Prime Minister Shri Narendra Modi urged the industry, especially the Micro, Small and Medium Enterprises (MSMEs) of India, to manufacture goods in the country with "zero defects" and to ensure that the goods have "zero effect" on the environment.
- ❖ MSME Sustainable (ZED) Certification is an extensive drive to create awareness amongst MSMEs about Zero Defect Zero Effect (ZED) practices and motivate & incentivise them for ZED Certification and to become MSME Champions.
- ❖ This Scheme is proposed to be implemented in 2 Phases. **Phase 1:** For Manufacturing MSMEs with UDYAM Registration and **Phase 2:** Inclusion of Service Sector MSMEs. In phase 2, it is also envisaged to provide funding to the ZED Certified MSMEs to obtain international certifications, as necessary for international market and further, making provisions to align ZED Certification with the international certifications for its global acceptance.
- ❖ ZED Certification can be attained in 3 Levels after registering and taking the ZED Pledge: Level 1: BRONZE, Certification Level 2: SILVER and Certification Level 3: GOLD. Every MSME that embarks on the journey of ZED will have to take a "ZED Pledge" before applying for a ZED Certification Level (Bronze, Silver, Gold). Certification on WASH Standard & other capacity building measures through MSME KAWACH will be available to MSMEs immediately after taking ZED Pledge.
- ❖ MSMEs will be given financial assistance/subsidy for obtaining for a ZED Certification Level. The subsidy will be 80% for Micro Enterprises, 60% for Small Enterprises and 50% for medium enterprises. There will be an additional subsidy of 10% for the MSMEs owned by Women/SC/ST Entrepreneurs OR MSMEs in NER/Himalayan/LWE/Island territories/aspirational districts. In addition to above, there will be an additional subsidy of 5% for MSMEs which are also a part of the SFURTI OR Micro & Small Enterprises - Cluster Development Programme (MSE-CDP) of the Ministry.



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
CMA BHAWAN
12, SUDDER STREET, KOLKATA – 700 016

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
Website :www.icmai.in

RBI KEY RATES

Repo Rate: 6.25%
SDF: 6.00%
MSF & Bank Rate: 6.50%
CRR: 4.50%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 82.4822
INR / 1 GBP : 102.2306
INR / 1 EUR : 87.9046
INR /100 JPY : 60.8000

EQUITY MARKET

Sensex: 61799.03 (-878.88)
NIFTY : 18414.90 (-245.40)
Bnk NIFTY: 43498.20 (-550.90)

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 ICAI 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)**

To purchase please visit BFSIB portal of ICAI

**CMA Chittaranjan Chattopadhyay
COUNCIL MEMBER**

The Institute of Cost Accountants of India

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