



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

17 June 2024



ECONOMY

Govt misses wheat procurement target for second consecutive year, procures 26.6 mt—28.7% lower than target: The Centre missed its wheat procurement target for the second consecutive year for India's main rabi or winter crop for the 2024-25 season at 26.6 million tonnes (mt) 28.7%—lower than its 37.3mt target. Wheat stocks with the government's procuring agency—Food Corporation of India (FCI)—are already at a 16-year low of 30.3 mt, a little over the buffer norm of 27.5 mt as of 1 July. Official data shows that the previous lowest wheat stock in Central pool was at 24.12 mt on 1 June 2008. "Procurement of wheat is largely over, and we can consider 26.5 mt as the final procurement; it could be a little over that as 100-500 tonnes are coming from Punjab and its neighborhood. So, the final figure is 26.5 mt," an official from FCI said.

(Mint)

Indian banks are better placed with strong balance sheet, low NPAs and higher profits: **CLSA:** After suffering from seething government and disturbing bad loan difficulties, Indian banks have established themselves in a much stronger position, as balance sheets and profits have rebounded markedly, noted CLSA (formerly known as Credit Lyonnais Securities Asia), a capital markets and investment group. It further added that the return on equity (ROE) of the Indian banking sector is the highest since the financial year 2011.

(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

BANKING & FINANCE



MEA and SBI sign MoU for digital payment services on eMigrate portal: The Ministry of External Affairs (MEA) and the State Bank of India (SBI) have signed a Memorandum of Understanding (MoU) to integrate SBI's payment gateway, SBIPay, with the eMigrate portal. This integration aims to provide an additional digital payment service for Indian migrant workers, recruiting agents, and other users of the portal, officials announced on Saturday. The agreement aims to "further facilitate and enhance the ambit of safe and legal migration of Indian migrant workers," according to a statement issued by the MEA. Launched in 2014, the eMigrate portal has been instrumental in making the emigration process online and transparent for Indian workers heading to countries where emigration checks are required. The portal connects foreign employers, registered recruiting agents, and insurance companies issuing the Pravasi Bhartiya Bima Yojna, facilitating seamless, safe, and legal migration. The MEA statement highlighted that the portal also allows for the voluntary registration of emigrants with ECNR (Emigration Check Not Required) category passports seeking overseas employment.

(Moneycontrol)

National Housing Bank to raise up to Rs 4,000 crore from bonds on June 18: National Housing Bank plans to raise up to Rs 4,000 crore through bonds on June 18, money market sources said. The bonds have a base issue size of Rs 2,000 crore and a greenshoe option of Rs 2,000 crore. A greenshoe option gives the underwriter the right to sell investors more bonds than planned if the demand is higher than expected. NHB's bonds will mature in 3 years, 2 months and 19 days on September 8, 2027. Bidding for the bonds will take place on June 18, on the electronic bidding platform of National Stock Exchange (NSE).

(Moneycontrol)

SBI MF assets grow faster than bank deposits, crossing ₹10 lakh crore: With digital platforms enhancing accessibility, mutual funds are becoming the go-to choice for investors seeking growth and convenience. Thanks to the booming equity markets and growing investment culture, the assets under management of SBI Mutual Fund are growing faster than the domestic fixed deposits of its parent, State Bank of India.

(Business Line)



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

SBI to monetise subsidiaries after scaling up their biz: Chairman Khara: SBI Chairman Dinesh Kumar Khara has said the lender would wait for its subsidiaries like SBI General Insurance and SBI Payment to further scale up their operations before monetising them. Scaling up of their operation will increase valuation and ensure better returns for the parent State Bank of India (SBI). When it comes to subsidiaries, their monetisation would be through the capital market, he told PTI in an interview. "The subsidiaries, which would be eligible for this kind of route, would be essentially our SBI General and may be at some stage, SBI Payment Services, but as of now, we don't have any such plan," he said.

(Business Standard)

INDUSTRY OUTLOOK



Sales of affordable homes fall 4% in Mumbai, Bengaluru and other top cities in Jan-Mar: PropEquity: Sales of affordable homes -- priced up to Rs 60 lakh each -- declined 4 per cent in eight major cities to 61,121 units during January-March this year on lower supply and higher demand for luxury apartments, according to PropEquity. The top eight cities are -- Delhi-NCR, Mumbai Metropolitan Region (MMR), Bengaluru, Hyderabad, Chennai, Kolkata, Pune and Ahmedabad. Real estate data analytic firm PropEquity data showed that sales of homes, costing up to Rs 60 lakh each stood at 6,3787 units in the January-March period of the last calendar year.

(Economic Times)

India in talks with Norway's Equinor for oil reserves: Report: India is in talks with Norway's Equinor ASA for its participation in the country's strategic petroleum reserves, as well as for long-term liquefied natural gas deals from the company's US and Qatar portfolios, the Mint newspaper reported on June 16. Securing a commitment from Equinor will mark the second such deal for India after a similar contract with Abu Dhabi National Oil Co., according to the paper, which cited people familiar with the discussions. India, the world's third-biggest energy consumer, is also asking Equinor to participate in its exploration and production program, Mint cited an unidentified Indian official as saying. State-run Indian Oil Corporation was in talks with nearly a dozen liquefied natural gas suppliers for long-term supply contracts, Bloomberg News reported earlier this month.

(Moneycontrol)



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



REGULATION & DEVELOPMENT

Penalty on default in contribution to EPFO, EPS and EDLI reduced: The Employees' Provident Fund Organisation has cut the penal charges on defaults by employers who delay or fail to deposit contributions in the Employees' Provident Fund, Employees' Pension Fund and Employees' Deposit Linked Insurance Scheme. According to notifications by the ministry of labour, defaulters will be liable to pay 1% of the contributing amount per month as penal charges for these three schemes. This translates into 12% of the contributions per annum. The move will mean a lower burden for defaulting employers. The charges have now been significantly reduced from the previous rules under which damages were levied based on the period of default. A penal charge of 5% per annum was levied for less than two months of default while a charge of 10% per annum was imposed for defaults for a period of two to four months. The penalty was increased to 15% per annum for defaults for four to six months and could go as high as 25% per annum in case the default continued for more than six months.

(Business Today)

RBI wins 'Risk Manager of the Year' award by London's Central Banking publication: The Reserve Bank of India (RBI) has been awarded the "Risk Manager of the Year Award 2024" by Central Banking, London, for enhancing its risk culture and its pivotal role in ensuring financial stability in India. RBI's Executive Director, Shri Manoranjan Mishra, accepted the award at a ceremony in London. He highlighted the institution's rigorous risk management approach in navigating India's financial landscape.

(Economic Times)

PM to release 17th installment amount of about Rs 20,000 crore under PM-KISAN on June 18, 2024 in Varanasi: Union Minister of Agriculture & Farmers Welfare and Rural Development, Shri Shivraj Singh Chouhan, today addressed a press conference and informed about the release of the 17th installment of about Rs 20,000 crore under PM-KISAN by Prime Minister Shri Narendra Modi. Prime Minister Shri Narendra Modi will be visiting Varanasi on June 18, 2024, for the release of the 17th instalment of the PM KISAN scheme to the farmers and granting certificates to more than 30,000 self-help groups as Krishi Sakhis.

(PiB)



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

FROTH

- ❖ Froth refers to a market condition where an asset's price begins to increase beyond its intrinsic value.
- ❖ Froth refers to market conditions preceding an actual market bubble, where asset prices become detached from their underlying intrinsic values as demand for those assets drives their prices to unsustainable levels.
- ❖ A frothy market is characterized by overconfident investors that ignore market fundamentals and bid up an asset's price beyond the asset's quantitative worth.
- ❖ Two examples of burst bubbles include the dot-com bust of 2001 and the housing crash of 2007-08.



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 : 83.5458
INR / 1 GBP : 106.3694
INR / 1 EUR : 89.5505
INR /100 JPY: 52.8900

EQUITY MARKET

Sensex: 76992.77 (+181.87)
NIFTY: 23465.60 (+66.70)
Bnk NIFTY: 50002.00 (+155.30)

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.