



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

20 June 2024



ECONOMY

Union Cabinet approves MSP for 14 Kharif crops including paddy, ragi, bajra, jowar, maize, and cotton: The Union Cabinet on June 19 approved Minimum Support Prices (MSP) for 14 Kharif season crops, including Paddy, Ragi, Bajra, Jowar, Maize, and Cotton, announced Information & Broadcasting Minister Ashwini Vaishnaw during a Cabinet briefing. The highest absolute increase in MSP over the previous year has been recommended for oilseeds and pulses -- nigerseed hiked by Rs.983 per quintal, followed by sesamum by Rs 632 per quintal and tur/arhar by Rs 550 per quintal. Vaishnaw, who is also the Railway minister, affirmed that the government is dedicated to ensuring farmers receive prices set at 50 percent above the input cost, with all decisions aimed at achieving this goal. The MSP for paddy has been set at Rs 2,300 per quintal, ensuring that rice farmers receive fair compensation for their yield. The MSP for cotton has been set at Rs 7,121 per quintal for medium staple and Rs 7,521 per quintal for long staple.

(Moneycontrol) Govt monetises Rs 1.56 trn assets in FY24, falls short of Rs 1.8 trn target: The government monetised assets worth Rs 1.56 trillion under the National Monetisation Pipeline (NMP) in 2023-24, lower than the target of Rs 1.8 trillion , an official statement said on Wednesday. Under the NMP, the aggregate monetisation potential of the central government's brownfield infrastructure assets has been estimated at Rs 6 trillion over a four-year period, from FY22 to FY25. During the financial year 2023-24, against the target of Rs 1.8 trillion , the achievement has been around Rs 1.56 trillion.

(Business Standard)

Net FDI in India improves to \$4 billion in April, says RBI bulletin: The net foreign direct investment (FDI) in India, inflows minus outflows, improved to \$4.0 billion in April 2024 from \$2.82 billion a year ago primarily on account of moderation in repatriation of capital. According to Reserve Bank of India data, the direct investment into India rose to \$4.89 billion in the first month of 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

current financial year from \$3.92 billion in April 2023. The outward FDI by India declined marginally to \$932 million in April 2024 from \$1.09 billion a year ago.

(Business Standard)

BANKING & FINANCE



RBI invites applications for recognition of SROs for NBFCs: The Reserve Bank of India (RBI) has invited applications for Self-Regulatory Organisations (SROs) to oversee non-banking financial companies (NBFCs), including Investment and Credit Companies (NBFC-ICCs), Housing Finance Companies (HFCs), and Factors. The SRO may also include other NBFC categories. RBI emphasizes a diverse membership including smaller NBFCs, requiring at least 10% representation from the total in the Base Layer of its Scale Based Regulatory Framework. As per the SRO application rules, the applicant will have to achieve a minimum net worth of Rs 2 crore within a period of one year after recognition as an SRO by the Reserve Bank, or before commencement of operations as an SRO.

(Economic Times)

Axis Bank entities to up stake in Max Life Insurance at Rs 336 crore: Axis Bank and its various subsidiaries' boards have approved raising their stake in Max Life Insurance to 19.99 per cent at Rs 336 crore in a cash deal, the private lender said in a stock exchange filing on Wednesday. Axis Bank, its subsidiaries Axis Securities and Axis Capital, together previously held 19.02 per cent stake in the life insurance company. "The Acquisitions, Divestments and Merger Committee of the Board of Directors of the Bank at its meeting held on June 19, 2024, has approved a proposal for acquisition of additional equity shares of Max Life by the Bank for an amount of upto Rs. 336 crore, thereby increasing the aggregate shareholding of the Axis Entities from T19.02 per cent to 19.99 per cent," the statement read.

(Economic Times)

New UPI-enabled Rupay credit card launched by Federal Bank: Federal Bank, in collaboration with National Payments Corporation of India (NPCI), has launched RuPay Wave Credit Card that empowers customers with the convenience of UPI-powered transactions on robust RuPay network, according to the bank press release. This offering will seamlessly integrate the benefits and



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

features of RuPay credit cards with the experience of UPI payments, ushering in a new era of simplicity and efficiency in digital transactions, the bank said.

(Economic Times)

Indian deposit insurer way behind global peers in processing reimbursements: RBI

Deputy Governor: RBI deputy governor Michael Patra highlighted that India's deposit insurer DICGC lagged behind international counterparts in processing reimbursements, taking over a month compared to IADI's target of seven days. Challenges such as data quality, identification issues, and lack of alternative bank accounts hinder quick payouts. India mandates deposit insurance for all banks, covering 1,997 institutions, with a coverage limit of Rs 5 lakh per depositor. Patra emphasised the need or improved risk management and crisis frameworks in light of evolving challenges, such as climate change impacting financial systems.

(Economic Times)

INDUSTRY OUTLOOK



Gautam Adani to invest \$100 billion in energy transition over the next decade: Adani group has plans to invest over \$100 billion in energy transition projects and manufacturing capability to produce every major component required for the green energy generation, Chairman of the group Gautam Adani said on June 19. Speaking at the 'Infrastructure - the Catalyst for India's Future' event organized by Crisil, Gautam Adani underscored India's immense potential of energy transition and digital infrastructure. “The next decade will see us invest more than \$100 billion in the energy transition space and further expand our integrated renewable energy value chain that today already spans the manufacturing of every major component required for green energy generation,” he added.

(Moneycontrol)

Separate authority for India's Expressways on cards: The Centre is working on a proposal to establish a separate authority dedicated to the development and management of expressways, government sources have told Business Today TV. The idea is part of the Road Transport and Highways Ministry's 100-day agenda and is being discussed internally at this stage. While the National Highway Authority of India (NHAI) focuses on the construction of national highways, the new expressway authority would specifically handle expressways, which have different construction codes and tolling systems. This move is seen as essential to cater to the growing focus on expressway infrastructure. The national masterplan for the development of the national highways, and



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

expressways network for 2047 is expected to significantly expand the transportation infrastructure network across India. Under this plan, a total of 50,000 kilometers of access-controlled expressways are proposed to be built across India in a manner that ensures that any location is within 100-125 kilometers of an expressway.

(Business Today)



REGULATION & DEVELOPMENT

Cabinet approves development of Rs 76k crore all-weather port in Maharashtra's

Vadhavan: The Union Cabinet on June 19 approved the development of an all-weather deep-water port at Vadhavan near Dahanu in Maharashtra. "In Maharashtra's Dahanu of Palghar district, a project of Rs 76,200 crore has been approved for Vadhavan Port. The project will create a cumulative capacity of 298 million metric tons (MMT) per annum, including around 23.2 million TEUs (Twenty-foot equivalents) of container handling capacity," Information & Broadcasting Minister Ashwini Vaishnaw said during the Cabinet briefing. Upon completion, the Vadhavan port will be one of the top 10 ports in the world. The capacities created will also aid EXIM trade flow through IMEEC (India Middle East Europe Economic Corridor) and INSTC (International North South Transportation Corridor). The port, to be helmed by Jawaharlal Nehru Port Trust (JNPT), would come up in the eco-sensitive Dahanu taluka in Maharashtra's Palghar district, around 150 km from Mumbai.

(Moneycontrol)

Union Cabinet announces economic decisions worth over ₹2.88-lakh crore: The Union Cabinet on Wednesday took 5 economic decisions with an estimated expenditure of over ₹2.88-lakh crore. These include raising the Minimum Support Price (MSP) for 14 Kharif crops, setting up a green field port, and expanding Varanasi airport, among others. Talking about MSP, he said that MSPs have been raised between ₹117 and ₹983 for Kharif crops for marketing season 2024-25, to ensure remunerative prices to the growers for their produce. "The hike is expected to give a total benefit of ₹2-lakh crore to farmers. The estimated financial outgo for Varanashi International Airport will be over ₹2,800 crore for enhancing the passenger handling capacity of the airport to 9.9 million passengers per annum (MPPA) from the existing 3.9 MPPA. In an effort to boost renewal energy, the cabinet approved the Viability Gap Funding (VGF) scheme for offshore wind energy projects at a total outlay of ₹7,453 crore. This will include an outlay of ₹6,853 crore for the installation and commissioning of 1 GW of offshore wind energy projects and a grant of ₹600 crore for the upgradation of ports to meet logistics requirements for offshore wind energy projects. In order to help



with the implementation of three new criminal laws, the cabinet approved the proposal of the Home Ministry for Central Sector Scheme “National Forensic Infrastructure Enhancement Scheme (NFIES) with a total financial outlay of ₹2,254.43 crore during the period from 2024-25 to 2028-29.

(Business Line)



FINANCIAL TERMINOLOGY

GIG ECONOMY

- ❖ A gig economy is a labor market that relies heavily on temporary and part-time positions filled by independent contractors and freelancers rather than full-time permanent employees.
- ❖ Gig workers gain flexibility and independence but little or no job security. Many employers save money by avoiding paying benefits such as health coverage and paid vacation time. Others pay for some benefits to gig workers but outsource the benefits programs and other management tasks to external agencies.
- ❖ Examples of gig workers include freelancers, independent contractors, project-based workers and temporary or part-time hires. Gig apps and digital technology are often used to connect customers and gig workers. The gig economy is a recent trend, with a number of factors contributing to its rise. The two most important factors are; The workforce has become more mobile and Work is increasingly done remotely via digital platforms.
- ❖ The gig economy provides consumers with an alternative to commercial products and industries. They turn to the gig economy for convenience, better service or both. This is the case with ride-hailing apps, like Uber, and food delivery services, like Grubhub. Gig apps have also met consumer demand where a service is in short supply or expensive. This is a role Airbnb has played in places where hotel rooms are in short supply, making more temporary accommodations available, sometimes at lower prices.



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 : 83.4251
INR / 1 GBP : 106.1573
INR / 1 EUR : 89.5496
INR /100 JPY: 52.8700

EQUITY MARKET

Sensex: 77337.59 (+36.45)
NIFTY: 23516.00 (-41.90)
Bnk NIFTY: 51398.05 (+957.15)

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.