

DAILY NEWS DIGEST BY BFSI BOARD

21 April 2025



ECONOMY

Indian industry not ready for ‘zero-for-zero’ tariff deal with US beyond few items: As India readies for talks with the US on an ‘early tranche’ of the proposed bilateral trade agreement (BTA) this week, the Indian industry has identified just a handful of sectors, such as auto components, apparels & textiles and electronics, where the country could opt for zero-for-zero tariffs where both sides eliminate import duties for each other, according to sources. But the priority items that Washington has been pushing for, such as automobiles, motor cycles, alcohol and agriculture products, are largely absent from the list, indicating that the Indian industry feels the need for at least some protection in these sectors. The government has been in constant consultations with exporters and industry organisations to get inputs on the extent to which Washington’s expectations of tariff cuts and removal of non-tariff barriers can be met in various sectors, depending on the sensitivities, and also the opportunities that can be explored in terms of gaining more market access in the US, a source told businessline. The items identified by the industry for ‘zero-for-zero’ are mostly those which are subject to relatively high tariffs in the US and where India has a manufacturing advantage.

(Business Line)

FPI inflows turn positive with ₹8,500 crore invested despite shorter trading week:

NSDL Data: Despite a shorter trading week due to holidays, foreign investors poured in around ₹8,500 crore into Indian equities, according to data from the National Securities Depository Limited (NSDL). The domestic markets saw positive foreign portfolio investment (FPI) inflows during the week, even though trading happened only on three days — Tuesday, Wednesday, and Thursday — due to holidays on Monday and Friday. The fresh inflows signal a comeback of foreign investors who were selling for some months in the equity segment, helping markets close the week on a positive note. One of the main reasons behind this inflow is the weakening of the US dollar.

(Business Line)

India's forex reserves rise for sixth week, hit \$677.84 billion: India's foreign exchange reserves (forex) rose \$1.567 billion to \$677.835 billion in the week that ended on April 4, extending gains for the sixth straight week, showed the official data released by Reserve Bank of India (RBI). According to the data released by RBI, for the week ended April 11, the foreign currency assets rose by \$892 million to \$574.98 billion. The foreign currency assets are the major constituents of forex reserves. The gold reserve also saw an uptick as it surged by \$638 million to \$79.997 billion during the week, suggests the RBI data.

(Business Line)

BANKING & FINANCE



ICICI Bank Q4 Results: Net profit rises to Rs 13,500 crore; announces dividend of Rs 11:

ICICI Bank's consolidated net profit rose to Rs 13,502.22 crore in Q4 FY25 from Rs 11,671.52 crore in the corresponding quarter of the previous fiscal year. The standalone net profit for the reporting quarter stood at Rs 12,629.58 crore, up 18% year-on-year, compared to Rs 10,707.53 crore. The lender reported a net interest income (NII) of Rs 21,193 crore in Q4 FY25, an increase of 11% YoY from Rs 19,093 crore in Q4 FY24. The net interest margin rose marginally on year to 4.41% in the last quarter of FY25 compared with 4.40% in Q4FY24. It was at 4.25% in Q3FY25. The net interest margin was 4.32% in FY2025. ICICI Bank's net NPA ratio declined to 0.39% for the quarter ending March 31, 2025 compared to 0.42% in the previous quarter. Its provisioning coverage ratio on non-performing loans was 76.2% at March 31, 2025. The bank's average deposits grew by 11.4% YoY to Rs 14,86,635 crore or \$ 173.9 billion in Q4FY25. The bank's average current account and savings account (CASA) ratio was 38.4% in Q4FY25.

(Financial Express)

HDFC Bank Q4 Results: Net profit rises 6.7% to ₹17,616 crore, NII up 10.3% YoY:

HDFC Bank announced its January-March quarter results for fiscal 2024-25 (Q4FY25) on Saturday, April 19, reporting a rise of 6.7 per cent in standalone net profit at ₹17,616 crore, compared to ₹16,521.9 crore in the corresponding period last year. Net interest income (NII) rose 10.3 per cent to ₹32,066 crore in the fourth quarter of FY25 compared to ₹29,076.8 crore in the year-ago period. HDFC Bank's board recommended a dividend of ₹22 per equity share of Re 1 each (2,200 per cent) for the year ended March 31, 2025. As regards asset quality, the bank witnessed slight deterioration, with gross Non-Performing Assets (NPAs) rising to 1.33 per cent of the gross loans by the end of March 2025,

from 1.24 per cent a year ago. Similarly, net NPAs or bad loans rose to 0.43 per cent, from 0.33 per cent at the end of the fourth quarter of the previous fiscal year.

(Mint)

Indian Bank eyes to disburse Rs 20,000 crore to SHGs in this financial year: Indian Bank aims to disburse Rs 20,000 crore to Self Help Groups nationwide this financial year, demonstrated by a 'Mega SHG Credit Outreach Programme' in Bhubaneswar. The initiative supports the national mission of empowering one crore SHG women with credit access, aligning with the government's 'Viksit Bharat 2047' vision for inclusive, women-led development.

(Economic Times)

Cybersecurity adoption measures: Sebi tells banks to share updates: SEBI has requested banks to provide updates on their progress in implementing the Cybersecurity and Cyber Resilience Framework (CSCRF). Banks are required to share details on the adoption of CSCRF controls and any challenges faced. While the initial deadline was extended twice, SEBI has emphasized that there will be no further extensions beyond June 30, 2025.

(Economic Times)

INDUSTRY OUTLOOK



MTNL defaults on bank loans worth Rs 8,346 crore: State-run telecom firm MTNL in a regulatory filing has said that it has defaulted on bank loans worth Rs 8,346.24 crore from seven public sector banks. The loss-making public sector telecom firm's total debt obligations reached Rs 33,568 crore as on March 31, 2025, according to the filing dated April 19. The total loan default includes Rs 3,633.42 crore of debt raised from Union Bank of India, Rs 2,374.49 crore of Indian Overseas Bank, Rs 1,077.34 crore of Bank of India, Rs 464.26 crore Punjab National Bank, Rs 350.05 crore from State Bank of India, Rs 266.30 crore from UCO Bank and Rs 180.3 crore along with principal and interest payment. The defaults in loan payment have occurred between August 2024 to February 2025. The total debt on the company comprises Rs 8,346 crore bank loan, Rs 24,071 crore sovereign guarantee (SG) bond, and loan of Rs 1,151 crore from Department of Telecom (DoT) for paying SG bond interest, according to the filing.

(Moneycontrol)

Panasonic India seeks separate PLI for compressors, motors, pcb boost: A separate production-linked incentive (PLI) for the air conditioner segment, focusing on high-value

components like compressors and motors, is the need of the hour, Panasonic India head Manish Sharma said, echoing the demand of the industry. On the government's recent PLI scheme for passive or non-semiconductor electronics components, Sharma, the Chairman of Panasonic Life Solutions India, said it will encourage the industry and boost its competitiveness in the global markets. On March 28, the government approved a production-linked incentive scheme for passive or non-semiconductor electronics components with an outlay of Rs 22,919 crore. It is the first scheme that focuses on promoting the manufacturing of passive electronic components.

(Business Standard)



REGULATION & DEVELOPMENT

FSSAI releases consultation paper on analogue dairy product compliance issues: The Food Safety and Standards Authority of India (FSSAI) has floated a consultation paper seeking comments from stakeholders on compliance issues related to analogue dairy products. The paper proposes to prohibit sale of analogue dairy products in loose form and restrict licensing for such products only to State and Central licensees for better compliance. It has also sought comments on issues related to nomenclature, labelling and declarations at hotels and restaurants. The consultation paper has come at a time when there are rising concerns about analogue dairy products being sold as dairy products, misleading consumers. In the dairy context, “analogue” refers to a product where ingredients not derived from milk replace some or all of the milk components, resulting in a product that mimics the sensory and functional properties of milk or a milk product.

(Business Line)

RBI's gold loan norms may raise compliance burden for banks and NBFCs: Banks and non-banking financial companies (NBFCs) may incur higher compliance costs if the Reserve Bank of India's (RBI's) draft guidelines on gold loans are implemented in their current form, said banking officials and experts. According to the draft guidelines, banks and NBFCs need to adopt standardised documentation across all branches. Moreover, gold financiers have to establish proper collection and calculation methods, preventing any deviation. “Currently, the cost of collection, documentation, and calculation as far as gold loans are concerned is around 2 per cent. If the guidelines are implemented as they are, the cost will increase to 4-5 per cent,”

(Business Standard)

India draws up blueprint to reduce over \$40 billion trade surplus with US: India is exploring strategies to reduce its over \$40 billion trade surplus with the US – a key concern for the Donald Trump administration – to fast-track the proposed bilateral trade deal. According to a source familiar with the matter, the Indian government is encouraging industry stakeholders, including exporters and importers, to evaluate opportunities for increasing imports from the US. Narrowing America's mounting trade deficit has been the cornerstone of Trump's sweeping country-specific reciprocal tariffs, which he later paused for 90 days until July 9.

(Business Standard)



International Transaction Number (ITN)

- ❖ The International Transaction Number (ITN) is a unique identifier assigned by the US Census Bureau's Automated Export System (AES) to each shipment exported from the United States. It serves as proof that the shipment's export information has been accepted by the AES and is required by the U.S. Customs and Border Protection (CBP).
- ❖ The ITN verifies that the exporter has provided the necessary information to the AES regarding their shipment, ensuring compliance with export regulations.
- ❖ ITNs typically begin with the letter "X" followed by the year, month, and day the Electronic Export Information (EEI) was accepted, and then a 6-digit random number. For example, an ITN filed on January 1, 2023, could be X20230101777777.
- ❖ The ITN is essential for international shipments and must be provided to the CBP at the port of export.
- ❖ The ITN must be cited on the first page of the bill of lading, air waybill, and other commercial loading documents.



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RBI KEY RATES

Repo Rate: 6.00%
SDF: 5.75%
MSF & Bank Rate: 6.25%
CRR: 4.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 85.5703
INR / 1 GBP : 113.1975
INR / 1 EUR : 97.2552
INR /100 JPY: 59.9600

EQUITY MARKET

Sensex: 78553.20 (+1508.91)
NIFTY: 23851.65 (+414.45)
Bnk NIFTY: 54290.20 (+1172.45)

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