



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

February 24, 2023

NSE GETS FINAL NOD FROM SEBI TO LAUNCH SOCIAL STOCK EXCHANGE:

NSE on Thursday said it has received final approval from markets regulator SEBI to set up a Social Stock Exchange (SSE) as a separate segment on its platform. The Social Stock Exchange segment will provide new avenue for social enterprises to finance social initiatives, provide them visibility and bring in increased transparency in fund mobilisation and utilisation by social enterprises.

(Economic Times)

JOE BIDEN NOMINATES EX-MASTERCARD CEO AJAY BANGA TO LEAD

WORLD BANK: US President Joe Biden said Thursday that Washington is nominating former Mastercard chief executive Ajay Banga to lead the World Bank, after its current chief David Malpass announced plans to step down early. Banga has "critical experience mobilizing public-private resources to tackle the most urgent challenges of our time, including climate change," said Biden in a statement. Banga is an alumni of Indian Institute of Management, Ahmedabad.

(Economic Times)

US GDP UP 2.7% IN FOURTH QUARTER: The US economy grew slightly less than reported in the final three months last year, the Commerce Department said Thursday, citing a downward revision to consumer spending. GDP growth in the October to December period was 2.7 percent, annualized, lower than the 2.9 percent increase originally reported.

(Economic Times)

ZEE MOVES NCLAT AGAINST NCLT ADMITTING INDUSIND BANK'S CHALLENGE TO ZEE-SONY MERGER:

Zee Entertainment Enterprises Ltd on Thursday moved NCLAT against NCLT admitting IndusInd Bank's challenge to Zee-Sony merger. Zee Entertainment has filed an appeal in National Company Law Appellate Tribunal (NCLAT), seeking relief against the order passed by the Mumbai bench of the National Company Law Tribunal. IndusInd Bank, in its plea before NCLT, has claimed a default of Rs 83.08 crore against Zee. ZEE is a debt-free and financially strong company, and believes in value creation for its stakeholders, said Punit Goenka, Zee Entertainment CEO. "Punit Goenka has filed an appeal in the NCLAT today, seeking relief against the order passed by the Mumbai bench of the NCLT.

(Business Today)



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FLIPKART WON'T GIVE ANY SALARY HIKE TO 5,000 SENIOR EMPLOYEES

THIS YEAR: Flipkart is planning to restrict the annual increment of salaries to only 70 per cent of its employees, which means that around 5,000 of its senior staff won't get any hikes this year, according to a report by Moneycontrol. According to Moneycontrol, the company mentioned that those who are at Grade 10 and above levels won't get any hikes. However, bonus payouts and employee stock option allotments are on track as planned for the employees of the Sachin and Binny Bansal-founded company, according to sources aware of the development. The report noted that the process of annual appraisals is completed and the increments for the company are due to start kicking in from April 1. "Given the current macroeconomic situation, we want to be prudent in managing our resources while keeping our employees' best interests in mind. In line with this, about 70 percent of our employee base will continue to get an increase in their compensation," Flipkart said in a statement.

(Moneycontrol)

SAJJAN JINDAL WINS EY ENTREPRENEUR OF THE YEAR AWARD 2022:

Sajjan Jindal, Chairman and Managing Director, JSW Group, was on Thursday named the EY Entrepreneur of the Year 2022 and will now represent India at the EY World Entrepreneur of the Year Award (WEOY) at Monte Carlo in June 2023.

(Business Line)

GOVT TELLS LIC TO HAVE CHIEF INVESTMENT OFFICER: With LIC's investments being tracked more intensively after Adani Group stocks' meltdown after a US short-seller flagged corporate governance issues, the government has asked the state-run insurer to appoint a chief investment officer (CIO) to rework its investment strategy, if required, and maximise returns. The government wants the CIO to be from the private sector. LIC's asset under management (AUM) is worth about Rs 41.6 trillion as on September 30, 2022, higher than the Indian mutual fund industry's total AUM of Rs 39.6 trillion by end-January 2023.

(Financial Express)

RELIANCE GENERAL INSURANCE SEEKS RS 600-CR CAPITAL INFUSION

FROM RCAP: Reliance General Insurance Company Ltd, a subsidiary of debt-laden Reliance Capital, has sought a capital infusion of Rs 600 crore from its parent firm, saying it is losing business to rivals due to the delay in the holding company's insolvency proceedings. Reliance General Insurance Company Ltd (RGICL) reiterated its demand for the capital infusion from Reliance Capital (RCap) to improve its solvency level. The "borderline" insolvency is creating business hesitation among corporate clients, government businesses and creating problems in bagging tenders, key retail and bancassurance partnerships, which is being capitalised by the competitors, according to a financial presentation by the company, which followed its third quarter results.

(Financial Express)



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OVER 97% OF ECLGS BORROWERS MICRO AND SMALL ENTERPRISES:

GOVT DATA: The government's emergency credit scheme for MSMEs and other businesses including self-employed, etc., Emergency Credit Line Guarantee Scheme (ECLGS) has supported 1.13 crore (number of guarantees issued) MSME borrowers involving Rs 2.39 lakh crore worth guarantee as of January 31, 2023, of which 1.10 crore borrowers (97.6 per cent) were micro and small enterprises, according to the government data. "This shows that majority of the businesses supported under ECLGS belong to micro and small category," said Minister of State in the MSME ministry Bhanu Pratap Singh Verma.

(Financial Express)

FITCH AFFIRMS ADANI TRANSMISSION RESTRICTED GROUP'S NOTES AT

'BBB-': Fitch has affirmed the 'BBB-' rating on senior secured notes issued by the restricted group of Adani Transmission and has said its outlook is stable. The credit assessment reflects the project companies' availability-based revenue under a supportive regulatory framework, with low technical complexity, reflected in high availability levels.

(Business Standard)

AXIS BANK-CITIBANK DEAL LIKELY TO BE COMPLETED BY MARCH 1:

Private sector lender Axis Bank has informed the stock exchanges that the deal to acquire Citibank India's consumer business and NBFC business of Citicorp is expected to be completed by March 1. "We now wish to inform you that both parties have made progress on integration and have obtained other requisite customer consents and approvals, as applicable. Based on the progress made till date, we estimate a reasonable possibility of completion of the acquisition by March 1, 2023, which is within the timeline of 12 months indicated earlier by us..." Axis Bank said. This means by March 1, all the customers, employees and assets of Citi will be transferred to Axis, and the Indian lender will pay the consideration for the acquisition which is Rs 12,325 crore.

(Business Standard)

REAL INTEREST RATE OF ABOUT 1% APPROPRIATE FOR INDIAN ECONOMY:

The Reserve Bank of India need not keep raising rates until prices fall as it risks overshooting the inflation-adjusted real rate, which at around 1% now is appropriate for the economy, an external member of the country's monetary policy committee said. The 250 basis points of rate hikes since May 2022 need to be allowed to work through the system, Ashima Goyal, who voted for a pause in the benchmark repo rate on fears the central bank may overshoot in hiking the cost of borrowing, told Reuters. "You don't need to keep on raising nominal rates as long as inflation does not come down because then you will definitely overshoot in terms of real rates," Goyal said.

(Business Standard)



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AT G20 EVENT IN BENGALURU, INDIA AND G7 DIFFER OVER USING THE TERM 'WAR': With the United States and the Group of Seven (G7 nations) pushing for further sanctions against Russia, differences are being ironed out with India and some other G20 partners over the language of the official communiqué which will be issued at the end of the meeting of Finance Ministers and Central Bank Governors (FMCBG). India is averse to using the term "war" in the communiqué, and softer terms like "crisis" are not acceptable to the G7 members, all of whom are a part of G20 as well, informed sources said. The G7's views will be more detailed in a press conference later in the day. Meanwhile, in a separate media briefing in Bengaluru, United States treasury secretary Janet Yellen categorically stated that the US and its allies would push for further sanctions on Russia.
(Business Standard)



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FINANCIAL TERMINOLOGY/CONCEPTS

e-NAM

- ❖ National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities.
- ❖ Small Farmers Agribusiness Consortium (SFAC) is the lead agency for implementing eNAM under the aegis of Ministry of Agriculture and Farmers' Welfare, Government of India.
- ❖ It's vision is to promote uniformity in agriculture marketing by streamlining of procedures across the integrated markets, removing information asymmetry between buyers and sellers and promoting real time price discovery based on actual demand and supply.
- ❖ It's mission is Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.



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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 : 82.7628
INR / 1 GBP : 99.8517
INR / 1 EUR : 87.9178
INR /100 JPY : 61.4000

EQUITY MARKET

Sensex: 59605.80 (-139.18)
NIFTY: 17511.30 (-43.00)
Bnk NIFTY: 40001.60 (+5.70)

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- ❖ **Certificate Course on Credit Management of Banks**
- ❖ **Certificate Course on Treasury and International Banking**
- ❖ **Certificate Course on Investment Management**
- ❖ **Certificate Course on General Insurance.**

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- ❖ **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)**

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CMA Chittaranjan Chattopadhyay

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