



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

24 October 2024



ECONOMY

Government launches second phase of “Bharat dal” to curb prices: To curb rise in prices of pulses, the department of consumer affairs on Wednesday announced the expansion of its subsidised pulses programme, introducing chana whole and masur dal under the ‘Bharat’ brand. The initiative, launched by food and consumer affairs minister Pralhad Joshi, aims to provide these pulses varieties – chana, moong and masur at discounted rates through cooperative retail networks and e-commerce platforms to consumers. The ‘chana whole’ will now be sold at Rs 58/kg, chana split Rs 70/kg and masur dal at Rs 89/kg, available through cooperatives such as the National Cooperative Consumers’ Federation (NCCF), National Agricultural Cooperative Marketing Federation (NAFED), and Kendriya Bhandar and other channels. These prices are atleast 20% to 25% less than market prices.

(Financial Express)

Dumping duty imposed on five products from China: The government has imposed anti-dumping duties on imports of five products from China at below normal prices to remove injury to local industry. The products on which the duties have been imposed include Cellophane Transparent Film, Isopropyl Alcohol, Sulphur Black, Thermoplastic Polyurethane and Unframed Glass Mirror. These additional duties will be levied for five years. On thermoplastic polyurethane which is extensively used in automotive industry, medical, electronics and other industrial purposes the duty of \$ 1.58 per kg has been imposed. In the last financial year, India imported around \$ 330 million worth of this key industrial raw material.

(Financial Express)

India lifts all curbs on rice exports, scraps 10% export duty on parboiled rice, \$490 floor price for white rice: The Indian government on Wednesday removed all curbs on rice exports that have been in force since September 2022. However, it has retained the ban on exports of broken rice. Within hours of lowering the Customs duty on parboiled rice to zero from 10 per cent, it scrapped the \$490 per tonne minimum export price (MEP) on white rice. On October 18, businessline



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

reported that the Government had decided to ease export curbs on rice further following a decision at a high-level inter-ministerial meeting.

(Business Line)

BANKING & FINANCE



Housing loan growth slows as interest rates and property prices surge: The steep 250 basis points increase in policy rates by the Reserve Bank of India (RBI) since May 2022 appears to be impacting loans taken by retail borrowers. While growth in most retail loan categories have slowed, the slowdown in housing loans is significant since it accounts for almost half of the retail loans. Recent data from the RBI on gross bank credit by major sectors shows that the year-on-year growth in housing loans was 13.1 per cent in August 2024, a steep drop from 40.5 per cent in August 2023.

(Business Line)

FIU imposes Rs 54 lakh fine on Union Bank of India for PMLA violations: The Financial Intelligence Unit (FIU) has imposed a fine of Rs 54 lakh on the Union Bank of India for "failing" to report suspicious transaction reports and for not undertaking due diligence under the anti-money laundering law for certain accounts at one of its branches in Mumbai. The federal agency issued the penalty notice under section 13 of the Prevention of Money Laundering Act (PMLA) on October 1 as it observed that the charges against the lender were "substantiated" after it considered written and oral submissions made by the Bank. The investigation started, pursuant to an observation by the FIU, and a "comprehensive review" of the Bank's operations was undertaken, which uncovered certain "irregularities" related to KYC/AML (know your customer/anti-money laundering) compliance.

(Business Standard)

RBI approves Pranav Chawda as CEO of JPMorgan's banking unit: India's central bank approved the appointment of Pranav Chawda as chief executive officer of JPMorgan Chase & Co.'s local banking unit for a period of three years. Chawda, who heads commercial banking, will expand his current responsibility to become head of the corporate banking entity, according to a statement from the US lender on Wednesday. The position fell vacant after former CEO Prabdev Singh stepped down before the end of his term. Chawda, a chartered accountant, started his career in 1995 as an assistant manager in Deloitte, according to his LinkedIn profile. He joined JPMorgan in 2019 as head



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

of client banking and specialized industries that serve mid-sized, India-headquartered companies. Before that, he was a managing director for institutional banking at DBS Bank in India.

(Economic Times)

SBI raises Rs 5,000 crore through Additional Tier-I bonds at 7.98%: India's largest lender State Bank of India (SBI) raised Rs 5,000 crore on Wednesday through the issuance of Additional Tier-I (AT-I) bonds at a coupon rate of 7.98 per cent to bolster its capital base, marking the lender's first such issuance in the current financial year. The coupon rate is the rate of interest that the bank will pay to investors. The bonds have a call option exercisable after 10 years. AT-1 bonds are debt instruments that are issued by banks to raise money and shore up the capital base. Market participants said that the bonds were fairly priced, considering the large size of the issuance, given its last AT-I issuance in January for Rs 5,000 crore was priced at 8.34 per cent.

(Business Standard)

INDUSTRY OUTLOOK



Coca Cola flags slowdown in emerging markets, cites heavy monsoons in India: Beverage major Coca-Cola reported a 1 per cent decline in volumes in the third quarter ended September 27, owing to temporary factors, mainly heavy monsoons in several states, as the company flagged a slowdown in emerging markets globally. "India had a particularly heavy monsoon in several states, which impacted volume growth in the country," said James Quincey, chief executive officer, Coca Cola Company, during the quarterly earnings call with investors. Quincey, however, stated that a good monsoon spell translates into increased agricultural output in the country, adding that the company is looking forward to "India returning to growth next year." ces.

(Business Standard)

Microfinance institutions must refrain from reckless lending: DFS secretary: Microfinance institutions (MFIs) have played a crucial role in fostering financial inclusion but they should refrain from any reckless lending, Financial Services Secretary M Nagaraju said on Wednesday. "We should all be careful on this. Any reckless or poor underwriting norms regarding lending to Self Help Groups (SHGs) or Joint Liability Groups (JLGs) will only harm the sector," he said at an event organised by Sa-Dhan here. Anything that will impact their capacity to repay back will actually harm MFIs, he said. "So, we should be very careful in what we lend, when we lend and how we lend because their financial literacy is limited their exposure to the outside world is limited. We



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

should not capitalize on that. We should actually try to empower them, provide the needed finance and also ensure hand holding so that they flourish," he said.

(Business Standard)

Sebi bars First Overseas Capital to be lead manager for fresh mandates: Sebi on Wednesday barred First Overseas Capital from taking any new mandate as a lead manager for any public issue of debt securities until further orders for allegedly violating merchant bankers rules. The regulator also issued a show cause notice to First Overseas Capital for alleged violations of the provision of Merchant Bankers (MB) regulations. "I, hereby debar the noticee (FOCL) from taking any new mandate in relation to the business of issue management either by making arrangements regarding selling, buying or subscribing to securities or acting as manager, consultant, adviser or rendering corporate advisory service in relation to such issue management, until further order," Sebi's whole time member Ashwani Bhatia said in the order.

(Business Standard)



REGULATION & DEVELOPMENT

Mkt regulator Sebi mulls options to future switch for single stocks: The Securities and Exchange Board of India (Sebi) is working on a proposal to convert single stock options into futures contracts a day before expiry. The proposal — on the lines of the model followed in the commodities market — is aimed at mitigating risk around physical settlement and payment of margins. For the derivatives segment, all stock derivatives positions on the day of expiry have to be compulsorily physically settled.

(Business Standard)

Can't risk another bout of inflation, need cautious approach: RBI minutes: India cannot risk another bout of inflation and the monetary policy committee (MPC) must adopt a cautious approach to lowering interest rates, members of the rate-setting panel said in the minutes of the October meeting. The MPC, which consists of three Reserve Bank of India (RBI) and three external members, had kept the repo rate unchanged at 6.50 per cent for a tenth straight policy meeting while changing the policy stance to 'neutral'. The panel has three new external members, who were appointed for a four-year term earlier this month. "The arduous battle against inflation is far from



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



won, but we are more confident of eventual success in bringing CPI inflation durably closer to the target," external member Saugata Bhattacharya said in the minutes published on Wednesday.

(Business Standard)



UNIFORM BILL OF LADING

- ❖ The uniform bill of lading provides a boilerplate language for the basic information about a shipment such as the shipper and recipient's names and the shipment's origin and destination. In addition, the document establishes the terms of the carrier's liability, transport time frame, how to file a claim for a lost or damaged shipment, how insurance will be applied in the event of a claim, and how the shipment may be stored or disposed of if the shipment is refused or is not deliverable.
- ❖ The uniform bill of lading also specifies the carrier's liability with regard to specific types of shipments including documents, coin money, items of extraordinary value, and explosives. Additional shipment charges may be assessed if the shipper misrepresents the type of goods being transported.
- ❖ If the bill of lading notes the defective condition of the goods or their packaging, it is considered "claused" or "fouled." If no defects are noted, it is considered a "clean" bill of lading.



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 : 84.0750
INR / 1 GBP : 109.2017
INR / 1 EUR : 90.8118
INR /100 JPY: 55.2400

EQUITY MARKET

Sensex: 80081.98 (-138.70)
NIFTY: 24435.50 (-36.60)
Bnk NIFTY: 51239.00 (-18.15)

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.**
- ❖ **Advance Certificate Course on FinTech**

**For details please visit
BFSIB portal of the ICMAI**

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.