

DAILY NEWS DIGEST BY BFSI BOARD

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ECONOMY

RBI Governor Malhotra asks US industry to invest in India: Reserve Bank Governor Sanjay Malhotra has exhorted the US industry to invest in India, stressing that the country continues to be the fastest growing major economy supported by policy consistency and certainty. Addressing the US-India Economic Forum organised by the Confederation of Indian Industry (CII) and US India Strategic Partnership Forum (USISPF) here on Friday, Malhotra said that India is expected to record a growth rate of 6.5 per cent in the current financial year despite tremendous increase in uncertainty and volatility in global financial markets.

(Business Line)

ADB pledges \$5 billion for India's growth: The Asian Development Bank (ADB) pledged \$5 billion in loans and grants to India in 2024, along with \$2.2 billion in cofinancing, to support key developmental projects. Funding is directed towards healthcare, education, and infrastructure improvements across multiple states. Maharashtra received \$500 million for healthcare, while Meghalaya benefits from a \$64 million loan to enhance education and skills training.

(Economic Times)

India, US likely to use side letters to settle non-tariff barriers: India and the United States (US) may resolve contentious non-tariff barriers (NTBs) by signing the so-called “side letters” outside the framework of the proposed bilateral trade agreement (BTA). In recent months, the US has flagged certain provisions of the draft Digital Personal Data Protection (DPDP) Act, data localisation, and quality control orders as some of the non-tariff barriers. “There may be more side letters signed between India and the US as part of a mutual understanding between the two governments. These will be largely in the context of non-tariff barriers,” said a government official, requesting anonymity.

(Business Standard)

BANKING & FINANCE



IndusInd Bank board to realign top management after Rs 1,959.98 crore accounting discrepancy:

IndusInd Bank on Sunday said that the board of the bank is taking 'necessary steps' to fix accountability of the persons responsible for the accounting lapses and realign roles and responsibilities of senior management after an independent firm submitted its report to the bank on 26 April. "The independent firm has determined a cumulative adverse accounting impact on P&L at Rs 1959.98 crores as on 31 March 2025, which is similar to the amount disclosed on 15th April 2025," IndusInd Bank said in a regulatory filing. "The bank will appropriately reflect the resultant impact of the accounting discrepancies in the financial statements for FY 2024-25 and take measures to strengthen internal controls accordingly," it said in the filing. The Bank has already discontinued internal derivative trades from 1st April 202.

(Moneycontrol)

Banks see sharp slowdown in retail loans in busiest quarter: Large and mid-sized banks have registered a steep fall in the pace of retail loan growth in Q4FY25, typically viewed as the busiest financial quarter for business growth, owing to lower demand and pricing issues for home and vehicle loans. The tightening of credit underwriting standards on unsecured loans amid tight liquidity conditions in Q4, also led to retail loan growth slowdown, experts say.

(Business Line)

Canara Bank to mobilise around Rs 500 crore via Canara Robeco IPO: Canara Bank is expected to raise over ₹500 crore through the partial sale of its mutual fund subsidiary, Canara Robeco Asset Management Company, by offloading a 13% stake via an IPO. This move aims to enhance the bank's capital adequacy ratio, supporting advances growth and branch expansion. Following this, Canara Bank plans to monetize a 14.

(Economic Times)

SC allows RBI to start fresh proceedings against big defaulters: The Supreme Court on Friday said the Reserve Bank of India and banks can proceed afresh against big defaulters even as it set aside orders of various high courts that quashed criminal proceeding initiated against such borrowers and also stalled actions taken by the lenders for declaring their accounts as frauds.

(Economic Times)

INDUSTRY OUTLOOK



Reliance Industries names Anant Ambani as Executive Director for 5-year term:

Billionaire Mukesh Ambani's youngest son, Anant has been appointed as Executive Director of Reliance Industries Ltd for a five-year term effective May 1, the company said. Ambani had in August 2023 inducted his three children – twins Isha and Akash and Anant – on the board of oil-to-telecom conglomerate as non-executive directors, in preparation of an eventual succession plan. Asia's richest person in recent years has said that the children would have significant roles at Reliance, India's most valuable and profitable company.

(Business Line)

Industry body wants reforms for smooth MSME credit flow: Federation of Indian Micro and Small & Medium Enterprises requests revisions to banking rules. The aim is to help MSMEs facing temporary financial difficulties. Fisme suggests introducing human review before classifying loans as SMAs. They also want easier guidelines. The body highlights flaws in third-party rating agencies' evaluation methods for MSMEs. These changes are sought to ensure smooth credit flow.

(Economic Times)

Goods kept in cold store are not bailment, insurer must honour claims: The National Commission disagreed, observing that goods were stored against payment of rent, which could not be termed a bailment. In a case, Sai Balaji Cold Storage India provided services to 136 farmers to store their agricultural produce in its facilities. These farmers had borrowed money from banks by hypothecating the stored goods, with the cold storage company standing guarantor for the loans. The arrangement was governed by a tripartite agreement, which contained a specific clause requiring the bank to ensure that an insurance policy was taken to cover the goods stored and the cold storage building, plant and machinery. This arrangement had been in existence since 2005. On June 2, 2013, a fire broke out.

(Business Standard)



REGULATION & DEVELOPMENT

'Job in Your Hometown' initiative: Centre to map local job opportunities on PM Gati Shakti portal: Following the rise of work-from-home practices during the Covid pandemic, the Central government is now working on a new initiative titled 'job at your hometown', aimed at helping people secure employment near their native places. If implemented successfully, this initiative could enable first-time job seekers to find employment opportunities in their local areas, reducing the need to relocate to urban centers. A government source told ANI that the Ministry of Labour and Employment is creating a system that will allow users to filter job listings based on factors like location, industry, employer, salary range, required skills, and more. The department is uploading job-related data onto the PM Gati Shakti portal, while the National Career Service (NCS) portal operates as a digital platform that links employers with job seekers, streamlining the balance between job availability and workforce demand.

(Moneycontrol)

Sebi partners with DigiLocker to protect nominee interest after investor's death to reduce unclaimed assets: India's capital markets regulator, the Securities and Exchange Board of India (Sebi), has partnered with cloud-based security platform DigiLocker to help reduce unclaimed assets and help investors securely manage their digital documents, according to a post by NSE on the social media platform X. Sebi's move to collaborate with DigiLocker comes as the regulator aims to reduce unclaimed assets in the securities market and protect the nominee's interest in case of the death of the primary investor for the account.

(Mint)

PM E-DRIVE scheme: Centre targets 5-day turnaround for EV subsidy claims: The Ministry of Heavy Industries (MHI) is working to expedite the disbursement process for electric vehicle (EV) subsidies under the PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) initiative. It aims to reduce the processing time from the current 40 days to just five. This change comes in response to a backlog of claims, particularly for electric two-wheelers (e2Ws), a senior government official said. Currently, there are 126,000 claims in process for 2024-25, with 109,000 of these claims related to e2Ws, of a total of 893,000 claims.

(Business Standard)



FINANCIAL TERMINOLOGY

Relative Strength Index (RSI)

- ❖ The relative strength index (RSI) is a momentum indicator used in technical analysis. RSI measures the speed and magnitude of a security's recent price changes to detect overbought or oversold conditions in the price of that security.
- ❖ In addition to identifying overbought and oversold securities, the RSI can also indicate securities that may be primed for a trend reversal or a corrective pullback in price. It can signal when to buy and sell. Traditionally, an RSI reading of 70 or above indicates an overbought condition. A reading of 30 or below indicates an oversold condition.
- ❖ The RSI is one of the most popular technical indicators, and it is generally available on most trading platforms offered by online stock brokers.



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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 : 85.4400
INR / 1 GBP : 113.7225
INR / 1 EUR : 97.1075
INR /100 JPY: 59.6100

EQUITY MARKET

Sensex: 79212.53 (-588.90)
NIFTY: 24039.35 (-207.35)
Bnk NIFTY: 54664.05 (-537.35)

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