



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

28 November 2024



ECONOMY

US GDP grows at solid 2.8% pace, helped by consumer spending: The US economy expanded at a solid pace in the third quarter, largely powered by a broad-based advance in consumer spending and steady business investment. Gross domestic product increased at a 2.8% annualized pace in the third quarter, the second estimate of the figures from the Bureau of Economic Analysis showed Wednesday. The economy's primary growth engine — consumer spending — advanced 3.5%, the most this year.

(Moneycontrol)

Chennai centre is a strategic entity for the World Bank Group: The Chennai centre of World Bank, which was started in 2001 as an exploratory project, is now a 'strategic' entity for the group. The centre was started with 70 employees in finance and accounting, but touched upon almost every corporate function of the group, said Sunil Kumar, Centre Head, World Bank. To name a few, the Centre has big finance and accounting practice, IT, HR, procurement, global corporate real estate facilities; treasury and other finance, he said. "We have 1,500 staff and contractors working from three facilities in Chennai, Kumar," said at the GCC Next Summit 24 organised by Guidance Tamil Nadu and KreateWorks on Wednesday. The Chennai centre is the largest office outside of bank's headquarters. That's a big recognition for the centre; a big recognition for India because the group chose India as its destination, and within India it chose Tamil Nadu. This was made possible because of the talent ecosystem, he said.

(Business Line)

India and EU Discuss Free Trade Agreement, Security, and Strategic Cooperation: India and the European Union (EU) held their 5th Strategic Partnership Review Meeting in Brussels, with a focus on advancing key initiatives such as the Free Trade Agreement (FTA), investment protection, and cooperation on global issues. The meeting on November 22, 2024, co-chaired by Tanmaya Lal, Secretary (West) in India's Ministry of External Affairs, and Simon Mordue, Deputy Secretary-



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

General for Economic and Global Issues at the European External Action Service (EEAS), highlighted significant progress in strengthening the India-EU partnership. According to the Ministry of External Affairs (MEA) at the heart of the discussions were the ongoing negotiations for the India-EU Free Trade Agreement (FTA) and the Investment Protection Agreement. Both sides expressed a strong commitment to finalizing these agreements, which are seen as crucial to boosting trade, investment, and economic collaboration.

(Financial Express)

BANKING & FINANCE



Complex, interconnected NBFCs warrants more co-ordination among regulators, says RBI DG Rajeshwar Rao: RBI Deputy Governor Rajeshwar Rao highlighted the increasing diversity and interconnectedness of India's non-bank financial sector. He emphasized the need for greater regulatory coordination to maintain financial stability, citing risks from climate change and emerging technologies like blockchain and AI. The diversity, complexity and interconnectedness in the non-bank space in India is likely to become more profound in the future, warranting closer coordination among the financial sector regulators to ensure financial stability, Reserve Bank of India (RBI) deputy governor Rajeshwar Rao said.

(Economic Times)

Loan book of Axis Bank's IFSC unit at GIFT City doubles to USD 4 bn in 5 years: Private lender Axis Bank on Wednesday said the asset book of its IFSC Banking Unit (IBU) at Gujarat International Finance Tec-City (GIFT City) in Gandhinagar has doubled to USD 4 billion from USD 2 billion in 2019. The bank unveiled a spacious IBU office at GIFT City here that spans nearly 8,000 square feet and is nearly three times bigger than the previous facility. "In terms of size, today our asset book here is a little over USD 4 billion, which is among the largest in GIFT City. Similarly, on the liability side, we have a USD 1 billion deposit, which once again makes us among the highest in terms of deposits as well...from USD 2 billion in 2019, we have doubled our asset book," its Deputy Managing Director Rajiv Anand told mediapersons.

(Economic Times)

PSBs get green flag to raise Rs 25,200 cr through equity dilution in FY25: Public sector banks (PSBs) have secured approval from the finance ministry to raise Rs 25,200 crore in the current financial year (2024-25) from the equity market, according to an internal document reviewed by the



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

Business Standard. The move will help PSBs fund their growth and meet the regulatory requirement of 25 per cent minimum public shareholding (MPS). So far, the PSBs have raised Rs 8,500 crore through Qualified Institutional Placement (QIP) in FY25, according to data from Prime Database.

(Business Standard)

Bank of India, BoB mop up Rs 8,500 crore via bonds amid strong demand: State-owned Bank of India (BoI) raised Rs 5,000 crore through a 10-year infrastructure bond issuance at a coupon rate of 7.41 per cent on Wednesday. In a separate move, Bank of Baroda (BoB) secured Rs 3,500 crore by issuing Basel III-compliant Tier-2 bonds at the same coupon rate, according to sources familiar with the matter. BoB's Tier-2 bond issuance had a base size of Rs 1,000 crore and a green shoe option of Rs 2,500 crore. The issue received a strong investor response, with bids totalling Rs 9,500 crore — nearly three times the issue size. The bonds, which are rated AAA/stable by CRISIL and India Ratings, have a 15-year tenure with a 10-year call option. The issuance garnered 120 investor bids, the sources added.

(Business Standard)

SBI's fundraising via bonds touches Rs 50,000 crore in FY25 to date: With the raising of Rs 10,000 crore from infra bonds, SBI's total fundraise has touched Rs 50,000 crore so far during the current financial year. The country's biggest lender State Bank of India earlier this month had raised Rs 10,000 crore through its seventh infrastructure bond issuance. The bank garnered Rs 5,000 crore AT1 Bonds, Rs 15,000 crore Tier 2 Bonds and Rs 30,000 crore Long Term Bonds till date during FY25 at a very competitive rate, SBI said in a statement. All these issues have attracted overwhelming responses from investors and were oversubscribed by more than 2 times against the respective base issue size, it said.

(Business Standard)

INDUSTRY OUTLOOK



BPCL to commission its first green jet fuel production facility by 2027 in line with govt's blending mandate: State-run Bharat Petroleum Corporation Limited (BPCL) is planning to commission the company's first sustainable aviation fuel (SAF) facility by 2027, in line with the government's blending mandate, a source with direct knowledge of the matter told Moneycontrol. The company is currently evaluating the technology for SAF production, such as oil-to-jet or ethanol-to-jet. "The talks are in the preliminary stage as of now. We are looking at the technology (for



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

production),” the source said. BPCL would set up the upcoming SAF production facility at its existing refinery locations either in Kochi or Mumbai. The capacity of the facility and investment required for setting up of the plant are yet to be finalised.

(Moneycontrol)

TCS Expands Partnership with SPARSH, Streamlining Pension Services for India’s Defence Personnel: Tata Consultancy Services (TCS), a global leader in IT services, consulting, and business solutions, has extended its partnership with the Indian government’s pension system for defence personnel, SPARSH (System for Pension Administration – Raksha), for an additional three years. This agreement marks the continuation of TCS’s efforts to streamline pension disbursement services for over 30 lakh defence pensioners, ensuring transparency, efficiency, and timely delivery of benefits.

(Financial Express)

India to spend over Rs 9 trn on power transmission infra by 2032: Govt: A total expenditure of Rs 9.12 lakh crore has been planned to augment power transmission infrastructure capacity in the country by 2032, according to Union Minister Shripad Yesso Naik. The National Electricity Plan (Transmission) covers the transmission plan till 2031-32, said Minister of State for Power Shripad Yesso Naik in a written reply to the Rajya Sabha on Monday. As per the Plan, 1,91,474 circuit kilometres (ckm) of transmission lines and 1274 Giga Volt Ampere (GVA) of transformation capacity would be added (at 220 kV and above voltage level) in the 10-year period from 2022-23 to 2031-32.

(Business Standard)



REGULATION & DEVELOPMENT

Supreme Court’s recall of benami transaction law sparks revival of 4,800 cases worth ₹12,000 crore: The Supreme Court’s recent recall of its earlier judgement, which had struck down the retrospective implementation of the Benami Transactions (Prohibition) Amendment Act, 2016, has rekindled a staggering 4,800 benami transaction cases that were gathering dust at the Income Tax department offices across the country. Exclusive data accessed by businessline reveals that these cases involve ₹12,000 crore worth of Benami assets, which were at different stages of probe and attachment proceedings initiated by the Income Tax’s ‘Benami Prohibition Units’. The cases relate to transactions that took place over 28 years, from 1988 to 2016 after Parliament amended the law.



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

These provisions relate to amendments introduced by Parliament, which broadened the statute to include imprisonment and fines for those who engaged in benami transactions between September 5, 1988, and October 25, 2016. The amended Act stipulated that a person could be sent behind bars for benami transactions prior to the amendments came into existence.

(Business Line)

Centre launches E-Daakhil across all states and union territories of India: The Department of Consumer Affairs is proud to announce the successful nationwide implementation of the E-Daakhil portal, now operational in every state and union territory of India. This milestone is marked by the recent launch of the E-Daakhil portal in Ladakh on 22nd November 2024, making E-Daakhil a truly pan-India initiative. To address the new and emerging concerns affecting consumers, the Consumer Protection Act 2019, was notified and enforced on 20th July, 2020. Going through restrictions on consumers due to COVID-19, the e-daakhil portal was introduced as inexpensive, speedy and hassle-free mechanism for filing consumer complaints. E-Daakhil is an innovative online platform designed to streamline the consumer grievance redressal process, providing an efficient and convenient way for consumers to approach the relevant consumer forum, dispensing the need to travel and be physically present to file their grievances. Since its inception, E-Daakhil has been a game-changer in promoting consumer rights and ensuring timely justice.

The e-Daakhil portal was first launched on 7th September 2020 by the National Consumer Dispute Redressal Commission. By the end of 2023, it was launched in 35 States/UTs except Ladakh. Now, as the Hon'ble Lieutenant Governor of Ladakh, Brig. (Dr.) B.D. Mishra (Retd.) launched the e-Daakhil Portal in Ladakh Consumer Commission on 22nd November 2024, the platform is accessible to consumers across all regions of India, from metropolitan cities to remote areas.

(PiB)



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



Fax



FINANCIAL TERMINOLOGY

Pearson Coefficient

- ❖ The Pearson coefficient is a type of correlation coefficient that represents the relationship between two variables that are measured on the same interval or ratio scale. The Pearson coefficient is a measure of the strength of the association between two continuous variables.
- ❖ To find the Pearson coefficient, also referred to as the Pearson correlation coefficient or the Pearson product-moment correlation coefficient, the two variables are placed on a scatter plot. The variables are denoted as X and Y. There must be some linearity for the coefficient to be calculated; a scatter plot not depicting any resemblance to a linear relationship will be useless. The closer the resemblance to a straight line of the scatter plot, the higher the strength of association.
- ❖ For an investor who wishes to diversify a portfolio, the Pearson coefficient can be useful. Calculations from scatter plots of historical returns between pairs of assets, such as equities-bonds, equities-commodities, bonds-real estate, etc., or more specific assets—such as large-cap equities, small-cap equities, and debt-emerging market equities—will produce Pearson coefficients to assist the investor in assembling a portfolio based on risk and return parameters.



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 : 84.4708
INR / 1 GBP : 106.2327
INR / 1 EUR : 88.5338
INR /100 JPY: 55.4900

EQUITY MARKET

Sensex: 80234.08 (+230.02)
NIFTY: 24274.90 (+80.40)
Bnk NIFTY: 52301.80 (+110.30)

**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.