



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

08 January 2025



ECONOMY

India's GDP may grow at four-year low of 6.4% in FY25: Govt's first advance estimates:

India's growth is set to dip to 6.4 percent in FY25, its lowest level in four years, pulled down by a likely decline in manufacturing and investment growth, according to preliminary data released on January 7. The first advance estimates released by the government showed that growth is likely to settle below the 7 percent mark for the first time in four years."India's gross domestic product (GDP) growth is expected to decelerate to 6.4 percent this fiscal, from the above-trend growth of 8.2 percent last fiscal, due to a sharp slowdown in the second quarter, lower fiscal stimulus, high interest rates and stricter lending norms," said Dharmakirti Joshi, chief economist, Crisil.

(Moneycontrol)

Elon Musk reacts to global population decline trends in India and China: Elon Musk has weighed in on concerns about the global population decline predicted in India and China, calling it one of the world's most pressing challenges. He highlighted the issue on X, Musk highlighted a graph originally posted by the Tesla Owners Silicon Valley account. The graph showed projected population changes between 2018 and 2100 for key nations, including Nigeria, the United States, Indonesia, and Pakistan, underscoring the looming demographic shifts. The account posted: "Population collapse is humanity's greatest threat... Elon Musk," to which Musk wrote: "Yes." For many years, experts have acknowledged that the world is moving toward a period of population decline, although there remains an ongoing debate regarding the pace of this phenomenon and the specific countries that will be most affected.

(Moneycontrol)

NSO's consumption growth estimate optimistic, say economists: The National Statistical Office's (NSO) first advance estimates has projected private final consumption expenditure (PFCE) to grow by 7.3% in FY25, but economists feel the number is "too optimistic", given urban demand



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

remains subdued. “The main indicators of the consumption so far indicate that the (skewed nature of) the consumption growth is correcting somewhat with the pick-up in rural real wages. However, the slack in urban demand is persisting as indicated by commentaries from some FMCG companies and also the decline in imports to the tune of 1.3% in FY25,” noted India Ratings and Research (Ind-Ra) in a report.

(Financial Express)

BANKING & FINANCE



FinMin to review flagship schemes with PSB chiefs ahead of Budget: Weeks prior to the Union Budget for the financial year 2025-26, M. Nagaraju, Secretary of the Department of Financial Services, will chair a meeting on January 15 with the Managing Directors and Chief Executive Officers of public sector banks. The meeting aims to review the progress of various financial inclusion schemes and discuss future funding requirements in light of the upcoming Budget, according to sources. “The meeting will focus on evaluating the implementation of key government initiatives under the DFS.

(Business Standard)

Banks' net profit growth likely moderated in Q3FY25: Net profit of 19 listed banks for the quarter ended December 2024 (Q3FY25) is likely to grow at a modest pace of 9.7 per cent year-on-year (Y-o-Y). This is owing to pressure on margins, moderation in credit off-take, along with some increase in credit costs, according to analysts' estimates. Net profit may shrink sequentially by 5.2 per cent over the quarter ended September 2024 (Q2FY25), the estimates by analysts for 19 banks, sourced from Bloomberg, showed.

(Business Standard)

RBI draft circular on overlapping businesses poses valuation challenges for HDB Financial: India's leading private lender HDFC Bank plans to potentially reduce its stake in HDB Financial Services to below 20% or consider product segregation if the draft RBI circular on overlapping business moves forward, avoiding merger due to operational complexities and compliance challenges, as analyzed by Macquarie Capital.

(Economic Times)

Exim Bank India raises \$1 billion from overseas via 10-year bonds: EXIM Bank on Tuesday said it has raised \$ 1 billion (about Rs 8,570 crore) through an overseas bond issuance at very competitive rates. The policy bank will be using the money to fund its ongoing and new initiatives



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

across the world, according to a statement. Its managing director Harsha Bangari said the money has been raised at "the tightest spread ever achieved from India".The bank capitalised on a strong demand momentum to achieve a final pricing of US treasury plus 1 per cent with a negative new issue concession of 0.05 per cent, the statement said.

(Business Standard)

INDUSTRY OUTLOOK



Microsoft to invest \$3 billion in India for cloud, AI infrastructure, and skilling, says CEO Satya Nadella: Microsoft chairman and CEO Satya Nadella, during his visit to India, has announced the company's plans to invest \$3 billion in India in cloud, AI infrastructure, and skilling over the next two years, including the establishment of new data centers. This is the single largest expansion Microsoft has done in India, he said. "We've always conceptualized and built Azure as the world's computer. We continue to be committed to it because a fundamental realization is, AI doesn't sit on its own and requires the entire group stack. And so, we're building that out at a worldwide level. We have 60-plus Azure regions and 300-plus data centers worldwide. In India, we're excited about our regions across Central India, South India, and West India. We also have regional expansion happening," Nadella said, addressing the crowd at the Microsoft AI Tour.

(Business Line)

Ministry of Environment notifies End-of-Life for vehicles: The Ministry of Environment, Forest and Climate Change on Tuesday notified End-of-Life vehicles. The concerned gazette notification said vehicles makers have to take necessary measures to encourage scrapping of vehicles at registered vehicle scrapping facility or designated collection centres, effective April this year. The rules say that every producer (vehicle manufacturer) must make necessary arrangements to receive the end-of-life vehicle from the registered owner at any designated collection centre, including its sales outlet, and should upload such list of designated collection centres, sales outlets on its website at a conspicuous place of its sales outlets and service centres. Vehicle manufacturers have to declare scrapping or recycle steel equivalent to 8 per cent of the number of vehicles sold in India 20 years ago. For instance, a company that has sold vehicles in 2005-06, has to now declare minimum 8 per cent of the steel used in vehicles that were sold that year in India, and in return get the certification under the Extended Producer Responsibility, which means the vehicle companies can declare to government that they are recycling the vehicles in an environmentally sound manner.

(Business Line)



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



REGULATION & DEVELOPMENT

DFS calls for fintech push in rural and NE India with UPI at the core: The Department of Financial Services (DFS) in the Finance Ministry has underscored the need to improve digital payment systems in rural and northeast regions, particularly through UPI. Noting that the digital payment infrastructure plays a crucial role in the fintech industry's expansion, the DFS has also stressed the need to encourage lending based on digital footprints for MSMEs. This was conveyed by M Nagaraju, Secretary, DFS, who chaired a meeting with Fintech Ecosystem Partners, in capital on Tuesday. The meeting was also attended by senior officials of RBI, NPCI, FIU-IND, MeitY, and around 60 Founders/ Co-Founders of various Fintech entities and Fintech Associations. The engagement with partners from the Start-up and Fintech ecosystem was designed to foster an open exchange of ideas aimed at elevating the Fintech sector to a global standard.

(Business Line)

Bhashini-Enabled e-Shram Portal now available in all 22 Scheduled Languages: Union Minister of Labour & Employment and Youth Affairs & Sports, Dr. Mansukh Mandaviya, launched the multilingual functionality on e-Shram portal. In line with the vision of making eShram a 'One-Stop-Solution', this portal will now be available in all 22 Scheduled Languages. MEITY's Bhashini project has been leveraged to upgrade the eShram portal with 22 languages. The previous version was available only in English, Hindi, Kannada and Marathi.

(PiB)

10 million farmers now have digital IDs linked to land records: In a move to develop a database of farmers which is linked to their land records, the agriculture ministry in collaboration with states has provided digital ids to 10 million farmers across 10 states as on Tuesday, according to a senior official. Sources told FE that the move to create farmers' digital registry is part of the government's digital agriculture mission, which would enable farmers to access benefits from a host of schemes.

(Financial Express)



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

MONEY MULES

- ❖ A money mule is someone who transfers or moves illegally acquired money on behalf of someone else.
- ❖ Criminals recruit money mules to help launder proceeds derived from online scams and frauds or crimes like human trafficking and drug trafficking. Money mules add layers of distance between crime victims and criminals, which makes it harder for law enforcement to accurately trace money trails.
- ❖ Money mules can move funds in various ways, including through bank accounts, cashier's checks, virtual currency, prepaid debit cards, or money service businesses.



RBI KEY RATES

Repo Rate: 6.50%
SDF: 6.25%
MSF & Bank Rate: 6.75%
CRR: 4.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 85.7191
INR / 1 GBP : 107.4906
INR / 1 EUR : 89.1382
INR /100 JPY: 54.3200

EQUITY MARKET

Sensex: 78199.11 (+234.12)
NIFTY: 23707.90 (+91.85)
Bnk NIFTY: 50202.15 (+280.15)

**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.