ASSOCHAM
Ideate · Innovate · Impact

MONTHLY

Banking, Financial Services & Insurance (BFSI)

E-Bulletin

MAY 2024 | VOLUME 36

Department of Banking & Financial Services

The Associated Chambers of
Commerce and Industry of India

www.assocham.org


Now, take your business dreams to
new heights.

TMB Tamilnad Mercantile Bank Ltd

Be a step ahead in life

You've arrived in life
Here's an account that reflects your lifestyle

Here's what you can enjoy:

- No charge for cash deposits
- Choose your favourite account number
- Debit Card with Airport Lounge access
- Reward points on card spending
- Free Personal Accident Insurance Cover

TMB Royal Savings Account

Enjoy Exclusive Privileges

Facilities :

- Choose your favourite account number
- Free personal accident insurance cover
- Get access to privileged services at all TMB branches
- More feature without charge

TMB Premium Savings Account

Your Reliable Business Partner

Facilities :

- Dynamic Free Limit on Cash Deposits
- Anywhere Banking Facility
- Free Cheque Books
- Choose your favourite Account Number

TMB SUPER FLEXI Current Account

For further details, contact your nearest branch www.tmb.in Toll-free : 180 0425 0426 | #ForwardTogether Follow us on /tmbankltd | We are committed to treat our customers in a fair, transparent and non-discriminatory manner.

CONTENTS

TOP SPEECHES

The Crucial Role of Assurance Functions in Urban Co-operative Banks

(Speech by Shri Swaminathan J, Deputy Governor, Reserve Bank of India - May 16, 2024 - at the Conference of Heads of Assurance of Urban Cooperative Banks held in Mumbai)

Deputy Governor Shri Rao, Heads of Assurance functions from Urban Cooperative Banks, and my colleagues from the Reserve Bank of India. A very good morning to all of you.

The Reserve Bank of India has been engaging with its supervised entities regularly over matters of governance and effectiveness of assurance functions. We have had a series of engagements with the Boards of Directors of both commercial and cooperative Banks conveying the importance of strong corporate governance and remaining vigilant to ensure the continuing stability of the financial sector. We have also been meeting the heads of assurance functions, recognising the key role these functions play in ensuring the safety and soundness of the banks and promoting regulatory compliance. Today's conference is an extension of our efforts to engage with assurance functionaries.

Assurance functions namely, the risk management, internal audit and compliance functions play a very crucial role, as guardians ensuring the bank operates safely, ethically and within regulatory and legal boundaries. Assurance functionaries, by becoming effective gatekeepers, can give the required comfort to all stakeholders that the bank is on the right track, its systems are strong, its operations are reliable, and its risks are managed effectively. As conscience keepers of the bank, they are intended to detect and prevent any deviations or build-up of any potential risks, safeguard the reputation of the bank and help uphold the trust of its customers and other stakeholders.

In the ever-changing landscape of banking, new risks constantly emerge. While traditional risks like credit, market, and liquidity risks remain significant, we now face new challenges such as cybersecurity threats and operational disruptions.

The proliferation of digital technologies and the interconnected nature of financial systems have exposed banks to a myriad of cyber threats, ranging from data breaches to malicious ransomware attacks. The potential impact of a successful cyberattack on a bank's operations, reputation, and financial stability cannot be overstated, underscoring the critical importance of robust cybersecurity measures and proactive risk mitigation strategies.

Operational risk has also become increasingly complex and pervasive, fuelled by a variety of factors including technological advancements, outsourcing arrangements, and the associated dependencies. Disruptions to critical systems and processes, whether due to cyber incidents, natural disasters, frauds or human error, can have far-reaching consequences for banks, highlighting the need for enhanced operational resilience, backup and recovery testing as well as contingency planning.

The dynamics of traditional risks have also changed. For instance, one notable consequence of the digital revolution coupled with wider adoption of social media, is the acceleration of liquidity runs. What used to take days to unfold can now happen in mere hours, all thanks to the pervasive influence of the internet and social media. The incidents of March 2023 in the United States serve as a stark reminder of this reality. As you would recall, a name mix-up of the US bank with a major UCB in India, fuelled by social media misinformation, required a press clarification from the UCB, to quell the rumours.

With this dynamic environment, the focus of regulation and supervision is shifting towards activity based. Similar activities having similar risks need to have the same level of regulatory and supervisory oversight, albeit with an element of proportionality to factor the scale and complexity of operations. Therefore, regulations for cooperative banks are becoming harmonised with that for commercial banks, but with certain calibrations wherever required. The expectations from UCBs, especially for corporate governance and effectiveness of assurance functions, are much higher now. As some of our recent enforcement actions would have demonstrated, there is now zero tolerance for poor corporate governance practices such as loans to directors or their relatives.

Expectations from Heads of Assurance

From cyber threats to regulatory changes, and from economic uncertainties to technological advancements, UCBs must adapt and stay vigilant, if they are desirous of retaining their relevance in this fast-changing world. This is where risk management, compliance and internal audit, come into play. They need to work hand in hand, identifying, assessing, and mitigating these risks, ensuring that their bank remains resilient and prepared for whatever challenges lie ahead. Therefore, as heads of assurance, you must ensure that you and your teams remain abreast of all the latest developments. This should be used to proactively update your systems and practices so that you remain ahead of the curve.

Risk Management

Risk management is at the heart of banking. Amidst all the complexities and advancements of finance, we should not forget the timeless wisdom of basic principles of banking such as diversification of risks and prudent liquidity management. Concentration risk whether it be in advances or in funding sources is something that we should be mindful of. Large exposures to a single counterparty or a group of counterparties turning bad can have detrimental consequences. Therefore, the frenzy of some of the UCBs to acquire large corporate exposures which are beyond their bite size, is to be strictly avoided and there is a need to closely monitor the existing ones.

It is essential to ensure that there are well documented Board approved policies for important aspects such as identification of target segments and business sectors, acceptable concentration levels, product specific guidelines such as borrower loan eligibility criteria, etc. Risk managers should try to see that these policies are in alignment with the risk that the bank can bear i.e. its risk tolerance. For instance, a loss-making bank with high NPAs should not be giving high risk loans and instead be focussing on recovery efforts.

The other aspect I would like to highlight is the meticulous monitoring of risk limits. Frequent breaches in risk limits, coupled with their non-ratification or their routine ratification, poses substantial dangers to the stability and integrity of financial institutions that extend beyond the immediate financial implications. If breaches become normalized or overlooked, employees may perceive risk limits as mere guidelines rather than non-negotiable boundaries, thereby compromising the institution's overall risk awareness. Therefore, it is imperative to address breaches systematically, conduct thorough investigations, hold staff accountable, and implement corrective measures to fortify the risk management practices.

Compliance

Next in line is the role of compliance. Compliance should adopt a forward-looking approach to anticipate and prevent non-compliant activities. Rather than reacting to issues after they arise, compliance should strive to identify and address potential compliance risks before they escalate. The compliance function should adopt a ‘regulation-plus’ approach, going beyond mere adherence to the letter of regulatory requirements and instead ensure that the spirit and intent of the regulation is also addressed.

Internal Audit

Once appropriate policies and strong internal controls are in place, it is for internal audit to independently verify compliance with the same. Very often we come across deficiencies in the scoping, coverage, and periodicity as well as issues in independence of the internal audit function. Proper scoping should ensure that risks are comprehensively covered. Further, high-risk areas may necessitate more frequent audits, while lower-risk areas may be subject to less frequent but regular assessments.

Good quality internal audit reports can provide valuable insights mitigating current risks and anticipating areas of potential risks by evaluating the risk management systems and control procedures prevailing in various areas of a bank's operations. It can also play an important role in preventing and detecting frauds.

Role of RBI

Onsite examinations by RBI are not intended to be fault finding missions and instead to provide an insight into the overall health of the bank. They often pick up issues missed by the internal assurance functions and external audit. We would also like you to give due attention to the Risk Assessment Report (RAR) observations and Risk Mitigation Plans (RMP) issued by the RBI. To ensure sustained compliance, it is important to address the root cause of the observations. Further, there should be no compromise on the agreed timelines for RMPs, and the bank should ensure that all RMP items and RAR observations are comprehensively addressed well before the start of the next inspection cycle. Pending compliance paragraphs is not a desirable situation and may be a reflection of the lack of due attention by the management as well as the Board. Such instances can also invite stern supervisory action.

Conclusion

One of the most important facets of effective assurance functions is independence. There are regulations already in place that provide for adequate stature, direct lines of reporting and preventing of dual hatting of assurance functionaries. I would urge you to ensure that these regulations are complied with and that you are not engaged in any role which compromises your independence.

Overall, I believe assurance functions, if they work effectively, can create an environment in the bank where adherence to laws, regulations, ethical standards, and internal policies is paramount, and where everyone is committed to doing the right thing. Effective assurance functions are indispensable in promoting trust, integrity, and compliance within the banking sector. By working collaboratively and proactively, we can navigate the challenges ahead and ensure the long-term success of our institutions.

I once again extend my sincere regards to all present and wish that going ahead in future we collectively embark on a journey of financial resilience drawing from the key ideas discussed here. I also look forward to listening from you.

Source: https://rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1433

Building Trust through Governance: The Backbone of Stressed Assets Reconstruction

(Keynote address delivered by Shri M. Rajeshwar Rao, Deputy Governor, Reserve Bank of India - May 17, 2024 - at the conference on 'Governance in ARCs – Towards Effective Resolutions' held at Mumbai)

Deputy Governor Shri Swaminathan, Executive Directors, Chairmen of the Board and ACB of ARCs, MDs & CEOs of ARCs, my colleagues from RBI, ladies and gentlemen,

I am happy to be amidst you today to talk about the crucial topic of governance in ARCs. But before I address the issue of governance, let me briefly discuss the importance of credit risk management and the critical role envisaged for ARCs – both in terms of legislative intent and regulatory expectations, in India's financial landscape.

Role of ARCs in the Stressed Asset Management

We all know that books of our financial institutions are largely susceptible to credit risk as loans and advances constitute a large proportion of the asset portfolio. The credit risk weighted assets (credit RWAs), in fact, constitute around 80 per cent of total RWAs of the banking system. Therefore, any prudential regulation to safeguard the stability of financial system must remain alive to the credit risk in the books of financial entities, banks and non-banks alike.

The credit life cycle involves four distinct stages. These include the stage of sourcing of credit proposal; appraisal and underwriting; disbursal and monitoring; and, finally repayment which then starts off the next iteration of the credit cycle. If, however, for some reason, the borrower does not pay the dues on time and a loan does not enter the fourth stage, there could be a problem. ARCs have been institutionalised to play a crucial role at this juncture. They are the institutions to enable loan originators to focus on their core function of lending by taking over stressed financial assets. The ARC framework is also designed to help borrowers revive their businesses, if possible. This in some ways is also intended to preserve the productive asset generated out of the loan.

Reconstructing distressed assets is by no means an easy task. ARCs are expected to step in, armed with expertise in recovery and reconstruction of ailing assets, and help reduce the level of non-performing assets in the banking system by taking possession of the secured asset of the borrower.

However, efficacy of all such endeavours hinges upon the bedrock of governance. So, in today's address, let me dwell a bit on evolving regulatory framework for ARCs and why there is a need for robust governance structures for their transparent and effective functioning.

Regulatory Framework for ARCs

There are a few basic issues which regulations should seek to address for ARCs:

- First, ARCs should have sufficient resources to undertake asset reconstruction business.
- Second, the transactions have to be conducted in a transparent manner and on arm's length basis.
- Third, the manner in which ARCs can resolve an asset needs to be clearly laid down.

All our regulations are built to address the concerns around these issues.

On the first issue of having adequate resources, let me emphasize that since the ARCs are in the business of asset reconstruction, they are expected to have both – resources and the required skin in the game. To ensure that they have strong and sufficient resource base, the requirements of net owned funds (NOF) was increased from Rs. 100 crore to Rs. 300 crore2. Similarly, to ensure skin in the game, ARCs have been mandated to invest3 some amount in each class of SRs issued by them under each scheme on an ongoing basis, i.e., till the redemption.

On the second issue of transparency several regulatory requirements have been put in place.

For example, the directions on Transfer of Loan Exposures (MD-TLE) provide for the checks in terms of price discovery of exposures, valuation of security receipts and transparent disclosure when assets are transferred by lenders to ARCs. In addition, taking over standard accounts from ARCs is subjected to specific conditions to avoid any transactions with malicious intent. Further, sharing of surplus from recovery of transferred exposures between the ARC and the lender is required to be made on a realisable basis.

Similarly, with a view to improve transparency, the revised framework has introduced a gamut of measures, including - (i) disclosures regarding the track record of returns generated for the security receipt (SR) holders in the offer document; (ii) increase in the disclosure period for the past performance of ARCs from 3 years to 5 years; and, (ii) disclosure of assumptions and rationale behind ratings of SRs to SR holders. These measures are expected to facilitate investments from a broader set of qualified buyers (QBs), address information asymmetry between the ARCs and SR holders, foster healthy competition among ARCs and nudge ARCs to focus on resolution of assets to achieve better returns for investors.

Third is the issue of resolution of the acquired assets. There is a regulatory framework in place, under the provisions of SARFAESI Act, which enables ARCs to undertake resolution. However, there are concerns around activities in this process chiefly relating to the ARC route becoming a vehicle for entry of the 'tainted' promoters, who in the first place were responsible for the default of the underlying entity. This aspect has become particularly relevant since the introduction of Section 29A in the Insolvency and Bankruptcy Code (IBC), which was specifically meant to keep out such promoters. However, often, entities meet this requirement by merely obtaining a declaration signed by the perspective buyer without undertaking any independent verification.

While the current regulations largely aim to address the three issues mentioned above, there are certain other areas which are engaging regulatory attention. One pertains to operational flexibility for debt aggregation. For instance, under extant guidelines, an ARC can acquire financial assets from another ARC but effectively the existing SR holders have to exit when the underlying financial assets are sold by one ARC to another ARC. In this context, there have been suggestions that a change in the trustee/ manager role from one ARC to another should be allowed, without necessarily extinguishing the SRs.

Moreover, for debt aggregation and better value realization, there is a demand that even the equity pertaining to the distressed company should be allowed to be sold by the lenders to ARCs along with debt. Further, in cases where ARCs are permitted to acquire equity and by extension ownership/ control of the borrower entities through various channels4 such as IBC or conversion of debt into equity, they should be allowed operational freedom to take decisions, including sale/lease of business.

We are examining these issues and are in touch with the industry to firm up our views.

Role of Governance

But there is a key area which is a point of concern for us as regulators, namely the governance in ARCs.

Sound and robust governance provides a strong foundation for the ARCs to build a robust business model. Governance, in this context, transcends mere regulatory compliance; it embodies a philosophy of accountability, transparency, and ethical conduct. In case of distressed assets, where conflicts of interest looms large and fiduciary duties are tested, effective governance can serve to develop confidence in the processes adopted by the ARCs.

Sound governance can also act as both a shield and a sword. It shields the stakeholders from conflicts of interest, ensuring that the decisions are guided by prudence and sound business sense. At the same time, it wields the sword of transparency and accountability by holding decision makers accountable for their actions and fostering a culture of ethical leadership.

To build a strong bedrock of governance, following conditions are critical:

i. A diverse and independent Board with effective oversight.

ii. A robust risk management framework for identifying, assessing, and mitigating risks inherent in the portfolio of distressed assets.

iii. Transparency regarding disclosure of information about the operations and decision-making processes and accounting practices.

iv. Effective safeguards and robust policies to identify, disclose, and manage conflicts of interest in a fair and transparent manner.

v. A comprehensive code of conduct that outlines ethical principles, professional integrity, and accountability.

Sound governance in ARCs, therefore, requires a multifaceted approach that encompasses all the above elements. The onus in this regard lies largely with the Boards of the ARCs and the top functionaries who will have to develop a strong and robust institutional culture based on these principles. Without robust governance mechanisms, it would be a challenging task for ARCs to instil confidence in their operations and decision-making processes.

ARCs also need to be conscious of their conduct vis-à-vis the distressed borrowers. Even a single incident of misconduct can potentially snowball into a controversy which the sector should guard against. While we acknowledge the rights of the ARCs to recover overdue loans, they or their recovery agents should not resort to harassment of borrowers. A comprehensive fair practice code (FPC) for ARCs has been put in place which requires ARCs to follow transparent and non-discriminatory practices. This becomes that much more critical at present juncture when the share of retail loans in the financial assets acquired by the ARCs has increased (from 9%, as of March 31, 2020 to 16% as of March 31, 2023).

Way forward

As you are aware, the regulatory framework of ARCs was comprehensively reviewed by a Committee constituted by the Reserve Bank (Chair: Shri Sudarshan Sen). Based on these recommendations we have issued a set of revised instructions in October 2022 and they have also been subsequently incorporated in the comprehensive Master Directions on ARCs issued on April 24, 2024. These instructions are aimed at having a robust governance system in place. With a view to enable this and in order to enhance Board oversight, it has been stipulated that ARCs need to appoint an independent director as the Chair of the Board, and at least half of the directors in any Board meeting should be independent directors. ARCs are also required to constitute two committees of the Board viz., Audit Committee and Nomination and Remuneration Committee which are expected to enhance the efficacy of the Board and improve its focus on specific areas.

However, what we observe is that not all ARCs have implemented the revised guidelines on composition and functioning of the Board. I would take this opportunity to urge all ARCs to implement these guidelines in right spirit. Also, failure to meet regulatory guidelines and wilful violations would invite strict supervisory and enforcement action, if warranted.

Apart from the revision of ARC guidelines, the Reserve Bank has been undertaking several steps to create a vibrant market for credit risk transfer. The revised guidelines on transfer of loan exposures and securitisation of standard assets, credit default swaps (CDS) and formation of a secondary market loan association (SLMA) are some of the recent measures taken by the Reserve Bank towards this end.

The thrust of RBI regulations going forward is on developing a market for distressed assets by considering the inclusion of additional stakeholders with strong fundamentals and possessing expertise in resolution. This intention is reflected in the discussion paper on the Securitisation of Stressed

Assets Framework. This is expected to increase competition among buyers of distressed assets, giving competitive advantage to the entities with superior resolution and recovery mechanisms capable of achieving optimal outcomes. Given their first mover advantage in this space, I feel ARCs are better placed to capitalize on this focus area and they should endeavour to explore options around this business segment in right earnest.

Concluding thoughts

To conclude, let me reiterate the fact that RBI regulations are intended to promote the integrity and effectiveness of the sector. As the leaders of the ARC sector, it should be your endeavour to ensure that the sector remains focused on course charted through legislative and regulatory intent and should ensure that any negative perception about the functioning and governance standards of the ARCs is dispelled.

To achieve that, it is important that ARCs have strong governance frameworks, robust internal controls, well developed risk management function, and strong compliance culture. As a regulator, our efforts would be to smoothen the operational difficulties and support the growth of the ecosystem for faster and efficient resolution of stressed assets. I am hopeful that ARCs would play the lead role in this process.

Thank you.

Source- https://rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1435

Opening Keynote Speech on "Time for an even more coherent response to Fraud" at Fraud and Financial Crime Asia Summit 2024

By Mr. Carmen Chu, Executive Director (Banking Supervision), Hong Kong Monetary Authority

Good morning everyone. It's my pleasure to address the Fraud and Financial Crime Asia 2024 and my thanks to Regulation Asia for this opportunity again to exchange views and engage with stakeholders in the ecosystem.

If I ask this group how many have had a personal experience of fraud, I am guessing the numbers may be quite low based on the industry you are working in and the demographics of the group. However, if I rephrased that to ask you how many knew somebody else – a family member or close friend - who had been a victim of fraud, then I dare say the numbers would shoot up.

Whatever we want to call it: fraud, deception, scam, con, cheat etc., the fact is fraud in all its various guises, and more often than not perpetrated as cybercrime, is impacting the daily lives of millions of individuals and businesses globally.

Scams are cheap, easy to set up and can be upscaled on an almost industrial basis, with the scammers operating anonymously online and at arms-length from victims, opening and operating bank accounts remotely to launder funds through networks of mule accounts.

The techniques used by fraudsters are getting more sophisticated, and despite our best efforts at raising public awareness and the all-too-often warnings, individuals remain highly vulnerable in our global digital economy. In fact, as we speak, thousands of frauds may be taking place, achieving in minutes and hours what took months in "old-fashioned" cold calling boiler rooms.

So let us be clear in our intent. Tackling fraud in all its guises remains one of our most important global and regional priorities since fraudsters always try to find the weakest link. Our efforts to claw back losses, including asset recovery, are not yet where they should be, and therefore confidence in the digital delivery of financial services could be threatened; indeed we are already seeing examples of people going "offline" to protect oneself.

You might ask whether we are moving backwards? No, but one may argue that we are not going forward fast enough either.

So an important question for all of us to consider today is how best to harness the benefits of technological banking advancements while mitigating digital fraud risks with appropriate safeguards – and I include in this broad term – increasing customer awareness, enhancing banks' cybersecurity arrangements, the ability to detect and respond in real time, supported by forward-looking supervisory and regulatory measures.

There is also considerable debate, and action in some jurisdictions, regarding reforms to legal frameworks and sharing responsibilities for compensation. This debate is most welcome, but one further question: will placing exclusive responsibilities on financial institutions for compensating victims fully solve the problem?

Globally and regionally, there is also considerable traction to bring enabling sectors to the table as part of an ecosystem approach, such as social media platforms, telecoms etc. – this of course is vital, everyone in the system from victim, telco, social media platform, as well as financial institution, needs to be incentivised to address this issue collectively.

And how can these efforts form part of a broader and more coherent response to fraud across the region?

I should mention the positive developments contributing to a collaborative ecosystem response to fraud: multi-disciplinary risk assessment and management, information sharing partnerships as well as tactical interventions in the region including Hong Kong, are helping to enhance resilience and response of the whole system against evolving threats from digital fraud.

The surge in digital fraud over recent years, fuelled by the growing popularity of online shopping and e-commerce, have prompted an enhanced understanding across a number of risk disciplines at financial institutions, regulators as well as law enforcement agencies. Digital fraud involves technology, operational, money laundering and reputation risks, and while these risks are manageable at the moment, large-scale or high-profile cases could affect customer confidence in financial services, and thus potential financial stability implications. In response, all relevant stakeholders are joining up for a coordinated approach for prevention, detection and disruption of fraud as well as confiscation and recovery of crime proceeds.

A good example is the launch of a suspicious proxy ID alert mechanism by all retail banks in Hong Kong last November, leveraging the value of high-risk alerts based on a match with the Scameter database of the Police to promptly warn customers where a faster payment transaction is potentially scam-related. Our analysis of how these alerts are used suggests they are effective in preventing a large volume of high risk transactions, although there is still work to do in terms of public awareness of the mechanism, and in cases where payments are proceeded with regardless of the alert, what further actions or analysis may be appropriate on the part of the bank. We are now working further with banks and law enforcement agencies to enhance these efforts, the next step being the introduction of additional fraud alerts for internet banking and intra-bank transactions, which will be launched very soon in the coming weeks.

Secondly, information sharing has been enhanced to tackle fraud and related mule accounts through expanding public-private partnership, including for example co-locating bank staff alongside Police officers as part of the Anti-Deception Alliance established in Hong Kong last November. I am aware other similar initiatives exist in other regional centres. Meanwhile, bank-to-bank information sharing has also demonstrated its value through pilots or practical experiences, and so we are seeing legislative and regulatory support globally and regionally for more banks and more information, from corporates to personal, sharing for the purpose of crime prevention and detection.

The list goes on. From operational and technology risk perspectives, preventive measures were taken to increase friction against fraudsters' unauthorised transactions, while enhancing the ability of banks and customers to detect suspicious activities and empowering customers with more controls over their e-banking and credit card accounts. For example, there has been a sharp drop in unauthorised card-binding activities, from over 60 complaint cases in Q1 2023 to nil after banks have promptly implemented additional authentication for binding payment cards with contactless mobile payment services.

The common theme in all these initiatives is the ecosystem approach, which recognises that this issue will not be solved or fixed by any single agency. Bring more parties to the table and increase the tool box.

BCBS's work on digital fraud as well as sharing of the latest modus operandi and anti-malware controls, for example, have enabled a swift and collective response to the emerging threat. At the same time, FATF's recent focus on cyber enabled fraud is also very welcome, as is the President's initiative on asset recovery. These all help. But what comes next? A standard on information sharing? A regional anti-scam centre? And how will the international groupings showcase what works under an ecosystem approach?

There is no doubt in my mind that as part of the move towards effectiveness and outcome-focused work, the understanding of the lifecycle of a financial crime, and being able to take action mitigating the various stages and opportunities for intervention, is a critical component to success.

To do so, within banks and supervisors, collaboration is growing across different risk disciplines including anti-money laundering, cybersecurity, operational resilience, and mitigating potential implications to financial stability. Public-public, public-private and private-private partnerships across financial regulators, law enforcement agencies, banks, telcos and other relevant stakeholders can deliver real changes if we equip and empower them to do so, mindful of the need for safeguards around data sharing. For instance, fraudsters extensively utilise social media platforms to disseminate phishing messages, significantly accelerating the spread of digital fraud. Closer collaboration with Fintech and Regtech communities, and the innovative use of traditional and non-traditional data, are key to any measure of success.

The HK experience is that where meaningful coordination takes place, in established frameworks across the public and private sectors, alongside bilateral and multilateral collaboration, we are better able to deliver the results we aspire to helping prevent and detect more fraud, and thus protecting banks and their customers from financial losses and often emotional harms so caused.

The creation of such frameworks across the region cannot wait, we are being judged against public expectations around all aspects of the fight against fraud – legislation, regulation, measurement of success – how far do we achieve effective outcomes leveraging on data, technology and collaboration?

It's time for an even more coherent response to Fraud regionally and globally. On that note, I look forward to a fruitful discussion today.

Thank you

Source- https://www.hkma.gov.hk/eng/news-and-media/speeches/2024/05/20240521-1/

BANKING, FINANCIAL SERVICES & INSURANCE (BFSI) ACTIVITIES IN THE MONTH

5th National Summit

Trade Finance for Inclusive Growth

Revamped eBRC system in soft launch phase; 2.5 lakhs self-generated BRC recorded: Shri Tirumala Venkatesh K Joint DGFT, GoI

New Delhi, 17 May 2024: The DGFT's foreign trade policy 2023 puts emphasis on paperless transaction and a separate chapter has been dedicated to e-commerce exports. A revamped eBRC system is in the soft launch phase, we already have over 2.5 lakhs self-generated BRC's which has enhanced the ease of doing business. The world market is at around $3.8 trillion, the factoring market in India is about $21 billion from a handful of firm. This highlights the huge opportunity for growth in trade finance. A framework to capture flow data for export credit needs to be created to provide policy makers with adequate data. Interest equalisation scheme has ensured that MSMEs have access to credit at affordable rates" said Shri Tirumala Venkatesh K Joint DGFT, Ministry of Commerce and industry, GoI at an ASSOCHAM event.

"Trade finance system like the Hundi System existed in the Indian history which has been perfected over the centuries. The formalisation of trade started when enforceable contracts through rule of law started prevailing. The codification of letter of credit led to a revolution in international payments. Financial globalisation picked up in the 1980's and now we are in the cusp of a second revolution led by digitization. India's movement towards paperless trade is quite noteworthy. India achieved an impressive score of 93.5% in the 2023

UN ESCAP global survey, on digital and sustainable trade facilitation. We scored 100% in four key areas, transparency, formalities, institutional arrangement & cooperation and paperless trade" said Mr Venkatesh at ASSOCHAM's 5th National Summit on Trade Finance for Inclusive Growth at New Delhi.

Shri Sanjeet Singh Senior Adviser, NITI Aayog said, "Banks have been proactively going out on a limb to support trade. Niti Aayog is working towards the vision of India in 2047 and beyond. A report on export preparedness index in 2022 shows that the top 10 states account for 85% of our exports and the top 10 commodity groups out of India accounts for 80% of our exports. The top 100 districts out of 680 exporting districts contribute 87% and 66% of the top districts are in 7 states. This highlights the regional concentration and concentration in what we export. Of the 6.5 crore MSMEs in the country, currently only 1% of them exports. This is a small fraction of our potential exporting base. The mandate for development is not only about rapid development it is about inclusive development, and we are reaching out to every corner of the country."

Delivering the keynote address at the summit, Shri Rajnish Kumar Former Chairman, State Bank of India (SBI) said, "India's international trade in 1991 was about 60 billion inclusive of services and merchandising, today we are at more than 1.5 trillion. This is a remarkable progress and the gap with China is narrowing and in the next 15-20 years we are confident that we would close this gap and find our place in international trade. India historically has always been a power in international trade. Inclusive growth can only come about when we have a flourishing MSME sector. The question always has and always been around availability of credit to MSMEs at an affordable cost."

Sharing his perspectives, Shri Devendra Sharma Interim CEO & Head- Corporate Banking, Mashreq India said, "Trade is the basic building block around which entire system of economic systems revolves. Credit is about delivering strength and muscle today in anticipation of future growth. We are at the beginning of decades of double digit growth as we look at $2 trillion in annual exports from about $800 billion. We have to democratise the availability of trade finance and the distributed impact of income from growth should be a key driver of all our initiatives. Today, about 45% of India's exports come from MSMEs while less than 20% of them have access to institutional trade credit. There is a need for a quantum shift in trade insurance backed export credits are being looked at."

Dr. Charan Singh Advisor, ASSOCHAM National Council for Banking & Non-Executive Chairman, Punjab & Sind Bank said, "Trade finance process will become digitally driven in the days to come to streamline documentation, reduce fraud and enhance efficiency. Global trade finance market is expected to reach $90 billion in the next five years from the estimated $50 billion currently. In India, the market is still in its nascent stage at about $3 billion. The rupee is fast gaining prominence in balance sheets of various countries and UPI is at the forefront."

Addressing the summit Shri Madhav Nair Co-Chairman, ASSOCHAM National Council for Banking and CEO & Country Head- India, Bank of Bahrain & Kuwait, said "Covid disruptions gave rise to the China+1 strategy and many companies have already invested in India. Schemes like PLI and Make in India have fuelled remarkable growth particularly in electronics. India pursuance of FTAs signifies our commitment to trade liberalisation and economic integration. A concerted effort from policy makers, financial institutions and industry stakeholders will unlock the full potential of trade finance and support India's journey towards becoming a global economic power house."

INDUSTRY ARTICLE IN THE MONTH

Indian Corporates Ideally Poised for IPOs and Private Equity

Favourable Macro Economics: The Indian economy is consistently growing at an average of 7% for the past 15 years and according to the IMF projections, it is expected to continue to grow at a compounded annual growth rate of 6% to 8% per annum for the next 10 years making it the global economic hotspot. Further, India has emerged as the 3rd largest ecosystem for startups globally with over 112,718 DPIIT – recognised startups (Source: Invest India). The recently concluded general elections providing a straight third term for the ruling Government will further boost investor confidence and create opportunities for more companies to raise funds through capital market. Considering India's emergence as the fastest growing large economy in the world with consistent growth outlook, political and social stability, visionary leadership, digital revolution Make in India, infrastructural thrust, geo-political factors and start-up eco system provides opportunities for heightened activities for capital raising.

Booming Capital and Private Equity Markets: The capital markets are buoyant as evident from the fact that as many as 178 companies have raised fund through Initial Public Offering (IPO) in the last three years to the tune of INR 243k crores. During the period January 2024 to May 2024 alone, 31 companies have raised funds through IPO raising total of INR 48,152 crores which includes the Follow-on-Public Offer (FPO) by Vodafone Idea Limited for INR 18,000 crores. It is also noteworthy that the total market capitalisation of BSE-listed stocks closed above US $ 5 trillion in May 2024 becoming the fifth country after US, China, Japan and Hong Kong whose market capitalisation have crossed the US $ 5 trillion mark. In addition to the IPO activity, the Private Equity investment in India has reached a degree of maturity over the last decade. The strategies and themes that evolved over the period have changed. Thanks to rapid digitalisation, vibrant start-up space, increasing pace of urbanization, growing middle-class, young discerning population have all resulted in new and emerging private equity investment themes. According to media reports, certain private equity funds offered as much as Rs.70,000 crores valuation for Haldiram Snacks.

What can Indian Corporates do to Benefit from the booming Capital and Private Equity Markets: There are several mid-sized Indian companies and businesses with turnovers ranging from Rs. 200 crores to Rs.10,000 crores which are privately held and can leverage this opportunity. For this purpose, the companies need to:

- Ensure proper corporate structure and value consolidation acceptable to investors
- Proper governance structure in terms of board of directors, independent directors, key managerial personnel including CEO/CFO, governance frameworks for internal controls, internal audits, risk management and compliance management
- Proper financial reporting including transition to Ind AS (Indian version of IFRS)
- Investor pitch deck covering business model, industry and business outlook, financial projections and valuation benchmarking
- Appointment of investment managers or lead managers and other intermediaries

RSM India has a dedicated transaction advisory and corporate structuring team which can assist growth-oriented companies in the areas listed above. The promoters also need to organise their own shareholding from a fiscal and long-term succession point of view.

The exercise can involve assessing the readiness of the corporate for fund raising activity, doing a GAP analysis and preparing a plan for enabling access to capital. This holds true for businesses across different segments such as technology companies, manufacturing companies, NewAge businesses, infra companies and services sector.

RSM

Nariman Point: 8th Floor, Bakhtawar, 229, Nariman Point, Mumbai 400 021.
Andheri: 3rd Floor, Technopolis Knowledge Park, A Wing, MIDC, Andheri (E), Mumbai 400 093.
Tel.: +91 22 6121 4444 • www.rsmindia.in

Offices: Mumbai, New Delhi – NCR, Chennai, Kolkata, Bengaluru, Navi Mumbai, Surat, Hyderabad, Ahmedabad, Pune, Gandhidham, Jaipur and Vijayanagar

TOP BANKING NEWS

- **RBI allows rupee accounts outside India for currency internationalisation; simplifies norms for non-residents**

The Reserve Bank of India (RBI) on Thursday, May 30, allowed the opening of rupee accounts outside India as part of its strategic plan to internationalise the domestic currency. The RBI said in its annual report today that it has finalised a strategic plan for 2024-25 and envisaged liberalisation of external commercial borrowing (ECB) framework and 'Go-live' for phase I of software platform for ECBs and trade credits reporting and approval (SPECTRA) project.

''With emphasis on continuous synchronisation of the FEMA operating framework with the evolving macroeconomic environment, rationalisation of various guidelines will be of primary focus,'' the central bank said in its annual report. The RBI will permit the opening of rupee (INR) accounts outside India by persons resident outside India (PROIs) as part of the 2024-25 agenda.

"INR lending by Indian banks to PROIs and enabling foreign direct investment (FDI) and portfolio investment through special accounts [special nonresident rupee (SNRR) and special rupee vostro account (SRVA)," said the report.

The rationalisation of the Liberalised Remittance Scheme (LRS) and review of the IFSC regulations under FEMA also are part of the agenda for the current financial year. The RBI report further said that the rationalisation of regulations towards the internationalisation of INR was undertaken to enable the settlement of bilateral trade in local currencies.

RBI FY24 Financials

RBI said the liquidity operations would continue to be in sync with the stance of the monetary policy, while the foreign exchange operations would be guided by the objective of ensuring orderly movements in the exchange rate of the rupee.

Meanwhile, RBI reported a massive 141 per cent surge in its net income for the financial year 2024 (FY24), driven by a decline in expenditures, particularly lower provisions. This impressive increase in net income paved the way for the announcement of a record dividend by the central bank. Net interest income soared to ₹2.1 trillion by the end of March 2024, up from ₹87,420 crore the previous year.

This substantial rise in net income enabled the RBI to declare a record dividend payout of ₹2.1 trillion to the government for FY24. This was higher than the government’s budget estimate and analysts' expectation of ₹1 trillion, and 141 per cent larger than the ₹87,416-crore dividend payout in FY23.

Source: https://www.livemint.com/industry/banking/rbi-allows-rupee-accounts-outside-india-for-currency-internationalisation-simplifies-norms-for-nonresidents-11717085904534.html

- **RBI calls for better governance in asset reconstruction companies**

The Reserve Bank of India (RBI) is advocating for more active involvement from the boards of asset reconstruction companies (ARCs) for better governance, risk management and compliance.

In a meeting between ARCs and regulatory officials on Friday, the RBI pointed out that it has come across several cases of non-compliance by these companies and reiterated that regulations need to be followed, a person present in the meeting said.

The industry officials also raised a couple of issues plaguing the sector. “We raised the issue of lengthy settlement process with borrowers which make it an expensive affair, especially for retail loans," said the attendee cited above.

"We also highlighted how the directive to have ₹1,000 crore as net-owned funds to be a resolution applicant under the Insolvency and Bankruptcy Code, 2016 (IBC) is a challenge."

In October 2022, the central bank issued guidelines mandating ARCs to carry out a background check of borrowers by an independent advisory committee.

The committee was to assess the financial situation of a borrower before recommending a settlement. Then, the board of directors, including at least two independent directors, would have to look into the recommendations and decide whether it is the best option available with the recovery agency.

Friday's meeting was attended by directors and chief executives of 27 asset reconstruction companies (ARCs) with senior regulatory officials including deputy governors, according to a statement issued by RBI.

The conference, the statement said, was attended by over 80 participants representing all ARCs. This event, with the theme 'Governance in ARCs – Towards Effective Resolutions', is a part of the series of supervisory engagements RBI has been organizing over the last one year with entities it regulates, it said.

RBI said that deputy governors M Rajeshwar Rao and Swaminathan J. addressed the participants; executive directors S C Murmu, Saurav Sinha, J K Dash, and Rohit Jain along with other senior officials were present.

Rao, in his keynote address, highlighted that sound governance provides a strong foundation for the ARCs to build a robust business model, it said.

"The onus in this regard lies largely with the boards of the ARCs and the top functionaries who will have to develop a strong and institutional culture based on these principles," Rao was quoted as saying.

"He also stressed on the need for responsible conduct in recovery process and emphasised that ARCs should follow transparent and non-discriminatory practices in line with the comprehensive fair practice code (FPC) put in place by the Reserve Bank," the statement said.

Meanwhile, Swaminathan, emphasized that setting the right tone from the top is crucial in fostering a culture of integrity and ethical conduct. According to the statement, he highlighted several supervisory concerns in the functioning of ARCs.

"He urged the ARCs to adopt a regulation plus approach where there is compliance with both the letter of the regulation and also its spirit. Boards should accord due importance to assurance functions, namely, risk management, compliance and internal audit," it said.

Source: https://www.livemint.com/industry/banking/rbi-calls-for-better-governance-in-asset-reconstruction-companies-11715950758103.html

- **Punjab National Bank plans $898 million capital raise via QIP, exclusively for institutional investors**

Punjab National Bank (PNB), one of India's major state-run lenders, is set to complete a significant share sale to institutional investors within the next six months, Chief Executive Officer Atul Kumar Goel has said.

The move is part of an effort to bolster the bank's capital reserves, Goel told Reuters in an interview.

In December, the bank's board approved a plan to raise 75 billion rupees (approximately $898 million) through equity capital. This capital increase will be achieved through a Qualified Institutional Placement (QIP), which targets institutional investors and does not extend offers to the general public, Reuters reported.

"For the QIP, we are trying to get all the approvals, but within six months we will try to raise the money from the market," Goel told the newswire

The announcement comes at a time when banks across India are seeking to enhance their capital bases to accommodate an increasing demand for loans. This trend is reflected in the activities of other major banks, including the State Bank of India, which is also considering raising equity capital.

Looking ahead to the financial year 2025, Goel forecasted that PNB's loan growth would hover between 11% and 12%, a slight increase from the 11.2% year-on-year growth observed from January to March. The bank also aims to boost its deposit growth to 9%-10% for the fiscal year, up from nearly 7% growth in the previous quarter, he told Reuters.

On the corporate front, Goel highlighted a robust loan pipeline of approximately 1 trillion rupees, with 600 billion to 700 billion rupees already sanctioned.

Amid these developments, PNB reported more than doubling its net profit in the January-March period, aided by a decrease in loan-loss provisions. The bank is focused on further improving its asset quality in the 2024-25 fiscal year, with bad loan recoveries expected to reach around 180 billion rupees. Goel also aims to reduce the gross and net non-performing asset ratios to below 5% and 0.5%, respectively, by March 2025, as per the report.

In terms of expansion, PNB plans to open an additional 150 branches this fiscal year, Goel said.

Furthermore, Goel mentioned that Indian banks are poised to provide feedback on a central bank proposal that seeks to tighten regulations for infrastructure project loans.

He reassured that the proposed guidelines would not adversely affect project financing and that the bank would be capable of adhering to these new rules if implemented.

Source: https://www.livemint.com/industry/banking/punjab-national-bank-plans-898-million-capital-raise-via-qip-exclusively-for-institutional-investors-11715327874825.html

- **RBI removes curbs on Bajaj Finance, allows resumption of lending through eCom and Insta EMI Card**

The Reserve Bank of India (RBI) has allowed Bajaj Finance to resume sanctioning and disbursal of new loans under its two lending products – eCOM and Insta EMI Card. The development came mere days after the company indicated its compliance and formally sought a review from the RBI.

"We wish to inform that the RBI, vide its letter dated 2 May 2024, based on the remedial actions taken by the Company, has conveyed its decision of lifting the said restrictions on eCOM and online digital 'Insta EMI Card', with immediate effect," Bajaj Finance said in a regulatory filing on Thursday.

"The company would resume sanction and disbursal of loans in the above two business segments including issuance of EMI cards," it added

The NBFC had been asked to stop such transactions in mid-November last year for failing to abide by the central bank's digital lending guidelines — particularly non-issuance of key fact statements to the borrowers under the two lending products.

Bajaj Finance, a subsidiary of Bajaj Finserv, is engaged in the lending and acceptance of deposits. The non-banking financial company claims to have a diversified lending portfolio across retail, SMEs, and commercial customers.

Last week, the company reported a 21 per cent increase in consolidated net profit at ₹3,825 crore for the final quarter of FY24. Total income during the January-March period of 2023-24 rose to ₹14,932 crore as against ₹11,368 crore in the year-ago period. Net interest income increased 28 per cent during the fourth quarter of the previous fiscal year to ₹8,013 crore while total expenses increased from ₹7,108 crore last year to ₹9,830 crore.

Bajaj Finance's consolidated result comprises the financials of wholly-owned subsidiaries Bajaj Housing Finance Ltd and Bajaj Financial Securities Ltd, and associate companies Snapwork Technologies, and Pennant Technologies.

Source: https://www.livemint.com/industry/banking/bajaj-finance-rbi-removes-curbs-on-ecom-insta-emi-card-with-immediate-effect-11714659736519.html

- **RBI shifts to NDFs as preferred forex reserves intervention option**

India's central bank is changing tactics in the way it seeks to limit rupee volatility with the use of non-deliverable forwards now overtaking spot market interventions, which draw heavily on foreign exchange reserves, sources said.

The Reserve Bank of India (RBI) has traditionally been more active in the local over-the-counter (OTC) spot market to keep the rupee stable.

But with its stated policy of boosting reserves, it is now opting to use NDFs more than OTC transactions, two people familiar with the bank's thinking told Reuters.

Dollar sales by the RBI in the spot market to slow rupee depreciation can draw heavily on reserves, while selling in the NDF market has a relatively marginal impact, the sources said.

Since counterparties only need to settle the difference between the contracted rate and prevailing spot prices in NDF trades, the impact on the central bank's FX reserves is lower than that from outright OTC purchases or sales.

The RBI has a stated policy of curbing excessive volatility, which has been a key factor driving foreign inflows.

"The RBI has been very active in NDFs. It is a great signaling tool to the market and also helps manage volatility without directly impacting forex reserves," one source said.

Neither of the sources wanted to be named because of the sensitivity of the issue. They also did not provide data on intervention volumes or the split between NDF and OTC transactions.

The RBI did not immediately respond to a request for comment.

The bank can influence the local spot market and set the tone for the day's session via NDF intervention, several traders Reuters spoke to said.

The RBI's NDF intervention is most active in the most liquid one-month tenor, traders said.

For example, at the peak of worries over the Iran-Israel confrontation, the RBI intervened in the NDF market ahead of the opening of the local OTC market, ensuring a relatively muted opening for the rupee.

While the RBI does not provide a breakdown of onshore versus offshore positions, the net outstanding position in the up to one-month bucket can be used as an indicative gauge of its interventions.

The aggregate outstanding position of the RBI in the segment climbed to nearly $94 billion in fiscal year 2023/24, from around $69 billion in 2022/23 and $60 billion in 2021/22, the latest monthly RBI data showed.

The RBI will, however, continue to buy dollars in the spot market whenever there are inflows as it wants to continue to actively build its reserves stockpile, the first source familiar with the central bank's thinking said.

Source: https://www.business-standard.com/industry/banking/rbi-shifts-to-ndfs-as-preferred-forex-reserves-intervention-option-124052400611_1.html

- **RBI imposes penalty on ICICI Bank and YES Bank for rule violation**

The Reserve Bank of India has imposed a penalty of Rs 1 crore on ICICI Bank for non-compliance with norms relating to loans, and a Rs 91 lakh fine on another private sector lender, Yes Bank, for violating norms relating to customer service and unauthorised operation of internal/office accounts, the regulator said on Monday.

RBI's supervisory inspection found violations by both banks relating to their financial position as on March 31, 2022.

RBI found that ICICI Bank had sanctioned term loans to certain entities in lieu of or to substitute budgetary resources envisaged for certain projects, and without undertaking due diligence on the viability and bankability of the projects to ensure that revenue streams from the projects were sufficient to take care of the debt servicing obligations, among others.

On Yes Bank, the banking regulator found the lender levied charges for non-maintenance of minimum balance in certain savings accounts having insufficient/zero balance and opened and operated certain internal accounts in the name of its customers for unauthorised purposes like parking funds and routing customer transactions.

The regulator said these actions are based on deficiencies in regulatory compliance and are not intended to pronounce upon the validity of any transactions or agreements entered into by the bank with its customers.

Source: https://www.business-standard.com/industry/banking/rbi-imposes-penalty-on-icici-bank-and-yes-bank-for-rule-violations-124052701268_1.html

- **From ICICI to HDFC: S&P upgrades outlook on six Indian banks to positive**

S&P Global Ratings today revised its rating outlook on six Indian banks, including State Bank of India and HDFC Bank, from "stable" to "positive." This follows a similar action on India's sovereign (BBB-/Positive). India's robust economic expansion is having a constructive impact on the sovereign's credit metrics.

These six banks are Axis Bank, ICICI Bank, State Bank of India, HDFC Bank Ltd., Kotak Mahindra Bank, and Indian Bank. The rating agency also affirmed the issue ratings on the banks. At the same time, it revised upwards the assessment of the stand-alone credit profile (SACP) of Axis Bank and ICICI Bank by one notch each.

The ratings on many Indian banks are capped by our sovereign credit ratings on India. This is due to the direct and indirect influence that a sovereign has on banks operating in the country. It affirmed our 'BBB-/A-3' issuer credit ratings on these banks.

The rating agency said in a statement that India's banking system continues to ride the good economic growth momentum, well supported by recent structural improvements in the system. Indian financial institutions' resilience has therefore built up. "We expect India's banks to maintain their strong financial performance over the next 12-24 months," it added.

Some of the factors benefiting the sovereign's creditworthiness will also have a positive impact on operating conditions for banks. In particular, India's infrastructure spending will likely pave the way for robust economic growth in the long term. India's good economic growth prospects will continue to support the asset quality of banks. Supportive structural and cyclical factors provide added benefits.

"We project the banking sector's weak loans (including standard restructured advances) will decline to about 3.0 per cent of gross loans by March 31, 2025, from our estimate of 3.5 per cent as of March 31, 2024. This is on the back of healthy corporate balance sheets, tighter underwriting standards, and improved risk-management practices," S&P said.

The underwriting standards for retail loans in India are healthy, and delinquencies in this segment remain manageable. However, unsecured personal loans have grown rapidly and could contribute to incremental non-performing loans, it added.

Source: https://www.business-standard.com/industry/banking/from-icici-to-hdfc-s-p-upgrades-outlook-on-six-indian-banks-to-positive-124052901633_1.html

- **Number of frauds in banking sector rises in FY24, amount declines 47%: RBI**

The number of frauds in the banking sector went up to 36,075 in 2023-24 year-on-year, but the amount involved reduced by 46.7 per cent to Rs 13,930 crore, according to the Reserve Bank's annual report released on Thursday.

The RBI report also said that with an aim to curb frauds and enhance the payment experience further, the introduction of real-time payee name validation before the actual fund transfer will be explored in compliance with newly enacted The Digital Personal Data Protection Act, 2023'.

During 2023-24, the amount involved in frauds was Rs 13,930 crore, down from Rs 26,127 crore a year ago. The number of frauds increased to 36,075 during 2023-24 from 13,564 in the preceding financial year.

An assessment of bank group-wise fraud cases over the last three years indicates that while private sector banks reported maximum number of frauds, public sector banks continued to contribute maximum to the fraud amount, said the Annual Report for 2023-24.

"Frauds have occurred predominantly in the category of digital payments (card/internet), in terms of number. In terms of value, frauds have been reported primarily in the loan portfolio (advances category)," the report said.

While small value card/internet frauds contributed maximum to the number of frauds reported by the private sector banks, the frauds in public sector banks were mainly in loan portfolio.

Further, an analysis of the vintage of frauds reported during 2022-23 and 2023-24 shows a significant time-lag between the date of occurrence of a fraud and its detection.

"The amount involved in frauds that occurred in previous financial years formed 94 per cent of the frauds reported in 2022-23 in terms of value," the report said.

Similarly, 89.2 per cent of the frauds reported in 2023-24 by value occurred in previous financial years.

Source: https://www.business-standard.com/industry/banking/number-of-frauds-in-banking-sector-rises-in-fy24-amount-declines-47-rbi-124053000999_1.html

SELECT RBI CIRCULAR

Circular Number	Date of Issue	Department	Subject	Meant For
RBI/2024-2025/39 A.P. (DIR Series) Circular No. 08	27.5.2024	Foreign Exchange Department	Instructions on Money Changing Activities	All Authorised Persons in Foreign Exchange
RBI/2024-2025/38 DOR.RET. REC.23/12.07.160/ 2024-25	24.5.2024	Department of Regulation	Exclusion of "Fincare Small Finance Bank Limited" from the Second Schedule to the Reserve Bank of India Act, 1934 and cessation as a banking company	All Banks
RBI/2024-2025/37 DoS.CO.PPG.SEC.2/ 11.01.005/2024-25	22.5.2024	Department of Supervision	Internal Review – Interim Recommendations – Withdrawal of Circulars	All Scheduled Commercial Banks All Primary (Urban) Cooperative Banks
RBI/2024-2025/36 A.P. (DIR Series) Circular No. 7	21.5.2024	Foreign Exchange Department	Issuance of partly paid units to persons resident outside India by investment vehicles under Foreign Exchange Management (Non-debt Instruments) Rules, 2019	All Authorised Dealer Category – I banks
RBI/2024-2025/35 FIDD.CO.LBS. BC.No.06/ 02.08.001/2024-25	16.5.2024	Financial Inclusion and Development Department	Formation of new district in the State of Assam – Assignment of Lead Bank Responsibility	The Chairman / Managing Director & Chief Executive Officer Lead Banks Concerned
RBI/2024-2025/34 A. P. (DIR Series) Circular No.05	08.5.2024	Financial Markets Regulation Department	Margin for Derivative Contracts	The Authorised Dealers
RBI/2024-2025/33 DOR.CRE.REC.22/ 21.03.054/2024-25	03.5.2024	Department of Regulation	Banks' Exposure to Capital Market - Issue of Irrevocable Payment Commitments (IPCs)	All Scheduled Commercial Banks (excluding RRBs)
RBI/2024-2025/32 A. P. (DIR Series) Circular No. 04	03.5.2024	Financial Markets Regulation Department	Master Direction – Risk Management and Inter-Bank Dealings: Amendments	All Authorised Persons

Source- https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx

STATISTICAL SUPPLEMENT – RBI

Reserve Bank of India – Bulletin Weekly Statistical Supplement – Extract

1. Reserve Bank of India - Liabilities and Assets*

(₹ Crore)

Item	2023	2024		Variation	
	May 26	May 17	May 24	Week	Year
	1	2	3	4	5
4 Loans and Advances					
4.1 Central Government	0	0	0	0	0
4.2 State Governments	13742	17624	18822	1199	5080

** Data are provisional; difference, if any, is due to rounding off.*

2. Foreign Exchange Reserves*

Item	As on May 24, 2024		Variation over					
			Week		End-March 2024		Year	
	₹ Cr.	US$ Mn.	₹ Cr.	US$ Mn.	₹ Cr.	US$ Mn.	₹ Cr.	US$ Mn.
	1	2	3	4	5	6	7	8
1 Total Reserves	5373798	646673	-32646	-2027	-17458	254	509242	57535
1.1 Foreign Currency Assets #	4715859	567499	-26365	-1510	-45986	-3451	414560	46568
1.2 Gold	471279	56713	-5397	-482	31960	4038	100524	11811
1.3 SDRs	150703	18135	-717	-33	-521	3	495	-56
1.4 Reserve Position in the IMF	35958	4326	-167	-1	-2911	-336	-6338	-787

** Difference, if any, is due to rounding off.*
 # Excludes (a) SDR holdings of the Reserve Bank, as they are included under the SDR holdings; (b) investment in bonds issued by IIFC (UK); and (c) amounts lent under the SAARC and ACU currency swap arrangements.

3. Scheduled Commercial Banks - Business in India						
						(₹ Crore)
Item	Outstanding as on May 17, 2024	Variation over				
		Fortnight	Financial year so far		Year-on-Year	
			2023-24	2024-25	2023	2024
	1	2	3	4	5	6
2 Liabilities to Others						
2.1 Aggregate Deposits	20814092	-124289	332443	338865	1802082	2437736
	(20714644)					(2338288)
2.1a Growth (Per cent)		-0.6	1.8	1.7	10.9	13.3
						(12.7)
2.1.1 Demand	2407318	-30272	-58771	-36535	135892	285658
2.1.2 Time	18406774	-94017	391214	375401	1666190	2152077
2.2 Borrowings	775774	-4459	8260	1265	59819	322185
2.3 Other Demand and Time Liabilities	912687	9918	5351	-24741	157644	117686
7 Bank Credit	16608513	-23207	218735	176349	1855851	2714543
	(16093855)					(2199885)
7.1a Growth (Per cent)		-0.1	1.6	1.1	15.4	19.5
						(15.8)
7a.1 Food Credit	41273	3494	16444	18193	-16904	4924
7a.2 Non-food credit	16567240	-26701	202291	158157	1872755	2709619

1. Data since July 14, 2023 include the impact of the merger of a non-bank with a bank.
2. Figures in parentheses exclude the impact of the merger.

4. Money Stock: Components and Sources

(₹ Crore)

Item	Outstanding as on		Variation over									
	2024	Fortnight	Financial Year so far		Year-on-Year				Year-on-Year			
					2023-24		2024-25		2023		2024	
	Mar. 22	May 17	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	1	2	3	4	5	6	7	8	9	10	11	12
M3	24830291	25253035	-107711	-0.4	423050	1.9	422744	1.7	2084503	10.1	2486225	10.9
	(24938533)	(25352482)	(-110900)	(-0.4)			(413949)	(1.7)			(2585672)	(11.4)
1 Components (1.1.+1.2+1.3+1.4)												
1.1 Currency with the Public	3418663	3488033	18238	0.5	94955	2.9	69370	2.0	253431	8.1	116642	3.5
1.2 Demand Deposits with Banks	2586888	2551671	-32257	-1.2	-59696	-2.6	-35218	-1.4	134592	6.3	290769	12.9
1.3 Time Deposits with Banks	18739918	19125936	-92040	-0.5	397557	2.4	386018	2.1	1682314	10.9	2059413	12.1
	(18848160)	(19225384)	(-95230)	(-0.5)			(377223)	(2.0)			(2158861)	(12.6)
1.4 'Other' Deposits with Reserve Bank	84822	87395	-1651	-1.9	-9767	-12.6	2573	3.0	14166	26.3	19401	28.5
2 Sources (2.1+2.2+2.3+2.4-2.5)												
2.1 Net Bank Credit to Government	7313197	7529924	-48985	-0.6	-29595	-0.4	216726	3.0	871385	13.9	393986	5.5
	(7404752)	(7615320)	(-48948)	(-0.6)			(210567)	(2.8)			(479382)	(6.7)
2.1.1 Reserve Bank	994394	1109883	-28624		-167058		115488		87743		-174185	
2.1.2 Other Banks	6318803	6420041	-20361	-0.3	137463	2.4	101238	1.6	783642	15.5	568171	9.7
	(6410358)	(6505437)	(-20324)	(-0.3)			(95079)	(1.5)			(653567)	(11.2)
2.2 Bank Credit to Commercial Sector	16669610	16857949	-21077	-0.1	203436	1.4	188338	1.1	1863346	14.6	2224876	15.2
	(17200297)	(17372607)	(-23536)	(-0.1)			(172310)	(1.0)			(2739534)	(18.7)
2.2.1 Reserve Bank	11871	11374	103		-20686		-497		-9411		5511	
2.2.2 Other Banks	16657739	16846574	-21180	-0.1	224122	1.6	188835	1.1	1872757	14.7	2219365	15.2
	(17188425)	(17361232)	(-23639)	(-0.1)			(172807)	(1.0)			(2734023)	(18.7)

Note: Figures in parentheses include the impact of merger of a non-bank with a bank.

5. Liquidity Operations By RBI

(₹ Crore)

Date	Liquidity Adjustment Facility						Standing Liquidity Facilities	OMO (Outright)		Net Injection (+)/ Absorption (-) (1+3+5+7+9-2-4-6-8)
	Repo	Reverse Repo	Variable Rate Repo	Variable Rate Reverse Repo	MSF	SDF		Sale	Purchase	
	1	2	3	4	5	6	7	8	9	10
May 20, 2024	-	-	-	-	51757	37271	-	-	-	14486
May 21, 2024	-	-	125002	-	31450	41763	-	-	-	114689
May 22, 2024	-	-	71830	-	2283	102810	-	-	-	-28697
May 23, 2024	-	-	-	-	1947	95138	-	-	-	-93191
May 24, 2024	-	-	125008	-	1662	74754	-	-	-	51916
May 25, 2024	-	-	-	-	10341	63339	-	-	-	-52998
May 26, 2024	-	-	-	-	7072	62723	-	-	-	-55651

SDF: Standing Deposit Facility; MSF: Marginal Standing Facility.

TOP NON-BANKING FINANCE COMPANIES & MICRO FINANCE INSTITUTIONS NEWS

- **RBI top official asks NBFCs to bolster governance practices**

The Reserve Bank of India's (RBI) deputy governor Swaminathan J. on May 15 urged non-banking finance companies (NBFCs) to maintain constant vigil against potential risks and vulnerabilities in the financial system and boost governance functions.

"NBFCs to bolster governance and assurance functions and maintain constant vigil against potential risks and vulnerabilities," Swaminathan told NBFCs during the conference organised by the RBI on May 15.

The RBI on May 15 conducted a conference in Mumbai for the Heads of Assurance Functions (i.e., Chief Compliance Officers, Chief Risk Officers and Heads of Internal Audit) of select NBFCs.

The conference was attended by about 280 participants representing more than 100 NBFCs, RBI said in a release.

The conference was also attended by deputy governors M. Rajeshwar Rao and Swaminathan J., executive directors S C Murmu, Saurav Sinha, J K Dash and Rohit Jain along with other senior officials representing the Regulation and Supervision departments of the RBI, release added

Swaminathan further said in the highly dynamic and challenging environment in which financial entities operate, they are exposed to a multitude of risks that can impact their financial and operational resilience.

He inter-alia highlighted cybersecurity and operational risks; credit risks from rule-based credit models; and liquidity risks. He conveyed the Reserve Bank's Supervisory expectations from the regulated entities to ensure independent and meaningful assurance functions as well as fair and transparent conduct towards customers, Swaminathan added.

The Conference included technical sessions on the three Assurance Functions by the Chief General Managers of the Reserve Bank. Presentations on best practices and challenges faced were also made by the Heads of Assurance Functions of select NBFCs, release said.

Source : https://www.moneycontrol.com/news/business/rbi-top-official-asks-nbfcs-to-bolster-governance-practices-12723074.html

- **NBFC body to soon write to RBI on new draft project financing norms**

The body representing non-banking financial companies (NBFCs)—the Finance Industry Development Council (FIDC)—will raise issues and concerns regarding the draft rules for funding infrastructure projects with the Reserve Bank of India, people aware of the development told Moneycontrol on May 17.

"FIDC is going to write a letter to RBI on draft norms of project financing before the deadline," one of the persons said.

The source said that one highlight in the letter will be reduction in provisions proposed by the central bank in the draft norms, adding, "Apart from this, there will be some other points which the FIDC team is discussing internally."

The RBI said it issued draft guidelines "taking into account the experience of banks with regard to financing of project loans". Indian banks had seen large defaults across infrastructure loans starting 2012-13 on account of "exuberant" lending, which led to a strain on the country's banking system.

Sources said that the industry body has not yet decided a timeline.

“As now, FIDC has not decided any date for writing a letter. FIDC will not write anything to the finance ministry on these draft norms,” the said

The RBI has suggested that when a project is in the construction phase, lenders set aside a provision of 5 percent of the loan amount. This will be reduced to 2.5 percent once the project is operational.

The required provisions will further be cut to 1 percent once the project has adequate cash flow to repay current obligations.

The lenders are required to make the 5 percent provision in a phased manner: 2 percent in FY25, 3.5 percent in FY26, and 5 percent by FY27.

Currently, lenders are required to have a provision of 0.4 percent on project loans that are not overdue or stressed.

Also, banks should have clear visibility on the date on which a project is expected to begin commercial operations and increase provisions in case of delay. Any time overrun beyond three years from the start of an infrastructure project should change the classification of the loan from standard to stressed.

Source: https://www.moneycontrol.com/news/business/nbfc-body-to-soon-write-to-rbi-on-new-project-financing-norms-12725358.html

- **RBI cautions NBFCs against growing reliance on algo credit models**

India's central bank has cautioned non-bank finance companies (NBFCs) against becoming over-reliant on algorithm-based credit models, while also urging them to avoid overlending in certain segments.

Rule-based models can lead to inaccuracies in credit assessment, Deputy Governor Swaminathan J said in a speech released on the Reserve Bank of India's website on Wednesday.

While many NBFCs are turning to such models to accelerate growth, they "should not allow themselves to be blinded by these models", said Swaminathan.

An over-reliance on past data, on which these credit models are built, can lead to mistakes in evolving market conditions, he said.

The deputy governor, speaking to a gathering of senior officials from among non-bank lenders, said they should avoid setting high-risk limits for certain segments like unsecured loans.

"There appears to be a fancy among most NBFCs to do more of the same thing, such as retail unsecured lending, top-up loans or capital market funding," Swaminathan said. "Over-reliance on such products may bring grief at some point in time later." NBFCs were also asked to diversify their sources of funding to counter any emerging liquidity risks

Source: https://www.moneycontrol.com/news/business/rbi-cautions-non-bank-lenders-against-growing-reliance-on-algo-credit-models-12723880.html

- **RBI’s advisory on Rs 20,000 limit on disbursing cash loans won’t hamper business: Manappuram Finance**

Manappuram Finance Ltd on May 9 said that the advisory by Reserve Bank of India (RBI) on limiting cash disbursal of loans would not hamper the company’s business.

The clarification comes a day after RBI asked NBFCs to strictly adhere to the Income Tax Act (IT) provision on cash disbursement, and said that no NBFC should disburse loan amount in excess of Rs 20,000 in cash.

V.P. Nandakumar, Managing Director & CEO of the company, said, “Our highly popular product

-- Online Gold Loan, that forms 50% of our gold loan book, follows a fully paperless process of application and disbursement. Even for the loans originating at branches, most of our customers prefer direct transfers. Moreover, our employees are trained to convince customers about the same as it promotes smooth operations."

The RBI advisory letter had led shares of Manappuram Finance and Muthoot Finance to slump up to 8 percent on May 9. Manappuram closed 7.36 percent lower at Rs 166.85 apiece on BSE.

"We believe that the RBI has issued the said advisory to promote transparency and prevent potential disputes, and we support the same. We have always followed fully-compliant processes and will continue to do so. We don't see the concerned advisory dissuading customers from obtaining gold loans," Nandakumar added.

The advisory was sent by the banking regulator after certain large gold loan-providing NBFCs had reached out to the RBI for clarity on cash disbursals. It was sent by the RBI's Department of Supervision specifically to gold loan financiers like Muthoot Finance and Manappuram Finance, reported CNBC-TV18.

Source: https://www.moneycontrol.com/news/business/banks/rbis-advisory-on-rs-20000-limit-on-disbursing-cash-loans-wont-hamper-business-mannapuram-finance-12718486.html

- **Muthoot Finance MD on RBI loan advisory: 80% customers moved to non-cash channels**

George Alexander Muthoot, the managing director of Muthoot Finance, on May 9 said the Reserve Bank of India's advisory for curbs on cash disbursal of loans will not hit the company as 80 percent of its customers have moved to non-cash channels.

"The RBI advisory is not a selective instruction but to all non-banking financial companies… Don't think it will have a big impact on us as 80 percent of our customers today have migrated to non-cash channels," the MD said during an interaction with CNBC-TV18.

The stock of the financial services company recovered from an intraday fall of 8 percent to trade 1.86 percent down at Rs 1626.3 on the BSE at 11:57am on May 9.

Muthoot also said the RBI advisory applies to all gold lenders and therefore it's not a challenge. However, Muthoot said some of the customers in rural regions may move to unorganised lenders.

On May 8, it was reported that the central bank asked Manappuram Finance and Muthoot Finance to strictly adhere to the Income Tax Act (IT) provision on cash disbursement, and said that no NBFC should disburse loan amount in excess of Rs 20,000 in cash

It was reported that certain large gold loan-providing NBFCs had reached out to the regulator for clarification on cash disbursals, following which the advisory was sent. The RBI's department of supervision had sent the advisory specifically to gold loan financiers such as Muthoot Finance and Manappuram Finance, according to a report by CNBC-TV18

The banking regulator sent out the advisory after certain large gold loan-providing NBFCs had sought clarity on cash disbursals. It was sent by the RBI's Department of Supervision specifically to gold loan financiers like Muthoot Finance and Manappuram Finance, according to the report

Source - https://www.moneycontrol.com/news/business/markets/muthoot-finance-md-on-rbi-loan-advisory-80-customers-moved-to-non-cash-channel-12718124.html

- **Mahindra Finance reports 10% drop in Q4 net profit at Rs 619 crore**

Mahindra & Mahindra Financial Services has reported a 10 percent decline in standalone profit and tax to Rs 619 crore for the January-March quarter of 2023-24.

The non-banking finance company also said that in a fact-finding assessment of the fraud in its Aizawl branch during the quarter identified 2,887 loan accounts as potentially fraudulent in nature.

"These loans had an outstanding net recoverable balance of Rs 135.9 crore as of 31st March 2024, which have been fully provided," Mahindra Finance said in a regulatory filing.

The NBFC, which last month delayed disclosure of its financial statement due to fraud at one of its branches in the north-eastern states, said that the fraud relates to retail vehicle loans disbursed by the company and is a case of extreme collusion between the company's employees, with segregated duties, and external parties including vehicle dealers and bank employees.

The fraud involved forgery of KYC and other asset-related documents leading to the embezzlement of company funds. Following this, the company appointed a law firm and an accounting firm to undertake a fact-finding assessment of the suspected irregularities

The company has carried out an exhaustive analysis of customer contracts across the portfolio at an all-India level and has confirmed no instances of similar fraud elsewhere.

"As a proactive step, the company has identified a few key initiatives to further strengthen controls, including but not limited to accelerating the timeline for centralization of document reviews and implementing digital due diligence tools for customer onboarding," Mahindra Finance said.

During the March quarter of 2023-24 fiscal, Mahindra Finance posted a total income of Rs 3,706 crore, up 21 percent over Rs 3,057 crore in the year-ago period.

Net interest income rose 14 percent to Rs 1,971 crore during the fourth quarter of FY24.

For the 2023-24 fiscal, the profit after tax declined 11 percent to Rs 1,760 crore. Total income rose 23 percent to Rs 13,562 crore in FY24

Source- https://www.moneycontrol.com/news/business/earnings/mahindra-finance-reports-10-drop-in-q4-net-profit-at-rs-619-cr-12714840.html

TOP INSURANCE NEWS

- **IRDAI's higher surrender value proposal may again find stiff resistance from life insurers**

IRDAI has proposed higher premature exit payouts to policyholders in the form of special surrender value (SSV)

Surrender values in endowment policies are back in the news again.

A day after the Insurance Regulatory and Development Authority of India (IRDAI) mooted a proposal that aims to offer higher surrender values – payouts on early exits – to policyholders, life insurance companies have decided to make a case against the draft rules being implemented in their current form.

IRDAI's fresh proposal on surrender values

If the new proposal goes through, policyholders will be entitled to a special surrender value (SSV) from the first year. At present, if a policyholder decides to surrender her policy after paying the first premium, she has to forgo the entire amount.

Companies have to revert to the insurance regulator with their feedback by Friday, May 31

While it has not proposed any changes to the guaranteed surrender value (GSV) structure, the IRDAI has said that insurers can offer GSV higher than what is mandated in the April product regulations.

What insurers are saying

“There is no doubt that steps in policyholders’ interests should be taken. But there are other ways to achieve IRDAI’s goals, without impacting the sanctity of the long-term nature of life insurance products,” said a top official from a leading private life insurance company who is privy to the discussions among life insurers.

According to him, ensuring liquidity cannot be the primary purpose of life insurance products. “If you are buying a policy with the intention of making a withdrawal in one or three years, this is not the product for you. In such cases, you should look at fixed deposits or mutual funds. Life insurance products are structured to meet the long-term needs and goals of policyholders,” he added.

Also read: How to avoid falling prey to life insurance mis-selling traps

Insurers’ alternative solution to curb mis-selling

For those policyholders with genuine grievances – for example, those who are stuck with products that were mis-sold to them, insurers have an alternative solution. “If it can be established that the policy was mis-sold, the entire premium paid can be returned. This will be a more effective remedy for mis-selling , rather than changing the product construct itself,” he said.

Higher payouts on premature exit, right from year one

IRDAI has proposed that the SSV should be equivalent to at least the present value of the paid-up sum assured and paid-up future benefits (such as regular income payouts, if any). Paid-up value is calculated as per a formula: number of premiums paid X sum assured/total number of premiums payable.

The insurance regulator has specified 10-year G-Sec yield as the interest rate for calculating the present value of paid-up sum assured and paid-up future benefits.

"This move is in favour of policyholders. Under IRDAI’s new proposal, let's say a policyholder's annual premium is Rs 100, and she is entitled to receive Rs 1,000 (sum assured) in the 10th year. But, if she ends up surrendering her policy after paying the first premium, the paid-up sum assured will be Rs 100 and she will get Rs 50.8 back as SSV (nil under the current regime). The IRDAI’s proposed SSV computation methodology assumes a discounted rate of 7 percent, which is the current 10-year G-sec yield. Likewise, SSV in the subsequent years will also be higher (bonus has not been taken into account in this calculation)," said an actuary at a private life insurance company, who spoke on condition of anonymity.

While SSV is not a fresh concept and life insurance product benefit illustrations carry details of SSV and GSV, the insurance regulator has now specified the new method for computing SSV.

Life insurance companies also intend to request IRDAI to allow a higher discounted rate – that is, 10-year G-sec rate plus a spread - as the present proposal (discounted rate equal to 10-year G-sec yield) will call for more capital and squeeze companies' margins.

Also read: IRDAI's status quo on surrender charges a relief for insurers, but setback for policyholders

The long-winding surrender saga

The surrender story has now dragged on for nearly five months after the IRDAI, in December 2023, proposed higher GSV for policyholders. The proposal was scrapped after life insurers raised objections, citing asset-liability management challenges and lower returns to persisting policyholders.

The new product regulations, therefore, maintained status quo on GSV. The IRDAI has now laid out the methodology for SSV calculation , but this will certainly not be the last that has been heard on this matter.

Source: https://www.moneycontrol.com/news/business/personal-finance/irdais-higher-surrender-value-proposal-may-again-find-stiff-resistance-from-life-insurers-12737323.html

- **Decoded: IRDAI's new health insurance rules on quick cashless approvals, higher penalties for non-compliance**

IRDAI specifies turnaround time for cashless authorisation, final settlement

Soon, health insurance companies will have to take a call on cashless authorisation requests for policyholders' treatment within an hour, with the Insurance Regulatory and Development Authority of India (IRDAI) releasing a master circular offering clarity on operational matters.

Insurance companies usually authorise an ad-hoc amount as soon as the cashless application is received through hospitals. The final claim settlement takes place at discharge, after the hospital shares the bills and supporting documents.

At present, the turnaround times on cashless authorisation and claim settlement are based on the individual companies' board-approved policies.

Quicker claim settlement at discharge

The IRDAI has also asked insurance companies to approve the final cashless authorisation at discharge within three hours of receiving the bills. "If there is any delay beyond three hours, the additional amount, if any, charged by the hospital shall be borne by the insurer from shareholder's fund," the circular says. In the case of the policyholder's death during treatment, the insurers will now be required to allow the release of mortal remains from the hospital immediately. Insurers have time till July 31 to put the required infrastructure in place to facilitate these changes.

Discounts for claim-free years

Unlike motor insurance, where a no-claim bonus results in direct reduction in renewal premiums, health insurers typically hike the sum insured at no extra cost if the policyholder does not file claims. The IRDAI has now asked health insurance companies to provide policyholders an option to either pick an increase in sum insured or discount on renewal premium in such cases. This will help policyholders who find renewal premiums unaffordable due to sustained rise over the years, particularly since COVID-19.

Cancellation of health policies

Now, you can cancel your health insurance policies any time during the tenure (typically one year, unless you have paid premiums for two or three years), after issuing a seven-day notice to your insurer. You will be entitled to a refund of proportionate premium for the balance period in such cases.

One-time renewal option for withdrawn products

This is the chief grouse of many health insurance customers, senior citizens in particular, who are covered under older health insurance policies. Insurance companies often withdraw their policies based on claim experience or replace them with newer products, which are then offered to existing customers at renewal instead of their older policies.

While insurers claim the aim is to offer more benefits and wider coverage to policyholders, the proposition comes with higher premiums, which puts the updated version beyond the reach of many.

The IRDAI has not come up with any lasting solution to this issue. However, it has asked insurers to offer a one-time option to renew the same policy if the renewal period falls within 90 days of the product withdrawal.

Higher penalties for not complying with ombudsman orders

As per existing rules, insurance companies are required to implement the orders of the insurance ombudsman's within 30 days. If they do not, policyholders need to alert the ombudsman again. In such cases, insurers have to shell out penal interest (two percentage points over the prevailing bank rate), as per the Protection of Policyholders Regulations.

In addition to this, the IRDAI has now decreed that insurers will have to shell out Rs 5,000 per day to the policyholder in case ombudsman awards are not implemented within 30 days.

This master circular comes after the insurance regulator revamped product and policyholder protection regulations across the life and health insurance segments in March. "It has brought in one place the entitlements in a health insurance policy available to a policyholder/prospects for their easy reference and also emphasises measures towards providing seamless, faster and hassle-free claims experience to a policyholder procuring health insurance policy and ensuring enhanced service standards across the health insurance sector," the IRDAI said in a press statement

Source: https://www.moneycontrol.com/news/business/personal-finance/decoded-irdais-new-health-insurance-rules-on-quick-cashless-approvals-higher-penalties-for-non-compliance-12736112.html

- **Individual health cover along with corporate health cover more beneficial**

A corporate job offers more than a fat pay cheque, lucrative house rent allowance and perks. One of the most significant sources of comfort that employers offer is the group health insurance policy.

Not only does such a policy cover the employee, but also her spouse and kids. Though employers have been cutting back the benefits over the years, many continue to cover employees' parents and in-laws as well. The key benefit that such policies offer is cover for pre-existing diseases – which often happen to be the cause for claim rejections – from day one.

The health concerns triggered by COVID-19 between 2020 and 2022 and ensuing hospitalisation costs have led an increasing number of Indians to buy or enhance their health insurance covers in the last two years. Yet, over 45 percent of India's population is devoid of any health coverage; and only 60 million individuals are covered under retail or corporate health insurance, according to an Avendus study released in 2023.

Many employees bank solely on their employer-funded group health insurance covers. However, this is not a wise approach. It is best to have an independent cover in place for yourself and a separate one for your parents

The employer-provided cover is not forever – it is there for you only till the time you have the job or are employed with that company.

The day you quit or resign, the cover ceases to exist. Your future employer may not offer adequate sum insured or may exclude parents from coverage.

And as you grow older, the cost of buying health insurance is bound to rise, which is why you need to buy an individual cover at a younger age.

Unlike employers' group cover, an independent policy is ordinarily renewable for life. Moreover, most employers' policies tend to have lower sums insured of Rs 3-5 lakh, besides restrictions such as room rent sub-limits or co-pay

Buy adequate coverage

If you are in the age-group of 35-40 years and live in a metro, you can start with a cover of at least Rs 10 lakh. This is because the cost of healthcare in metro cities is much higher. While this is enough to start with, ensure that you review this cover at least once every five years to account for your health status as also medical inflation.

Also, the figure will be higher if you are looking to buy a family floater policy to cover multiple members. A young family of four, with the couple in the age-group of 35-40 and young kids, should look at having family floater cover of Rs 20 lakh in place.

Separate protection basket for elderly parents

If you buy a family floater policy, then your parents, even senior citizens, can be covered. But it's best to not include them in your family floater and buy a separate cover instead. This is because they are highly likely to be suffering from chronic conditions such as diabetes, hypertension or heart diseases. The frequency of hospitalisation as also the amount claimed each time will be higher.

If you are a senior citizen or are looking to buy insurance for your elderly parents, you must look at a sum insured as large as possible. In case it seems unaffordable, look at top-up plans or dedicated senior citizen policies.

Multiple factors influence cover size

Sums insured of Rs 10 lakh for a 35-40 year-old individual and Rs 20 lakh for a family floater cover constitute general estimates.

Ideally, you should take into account your age, affordability, income, standard of living, place of residence (metro or a non-metro) and your family health history, among other things, while arriving at an ideal sum insured.

For example, hospital room rents vary as per the room category you choose and other charges are linked to it. So, if you prefer premium single rooms, you will need higher sums insured. The advancements in the treatment of various illnesses and rising cost of healthcare means that you should buy a cover keeping future expenses in mind. Those with bulge bracket salaries could even consider sums insured of Rs 1 crore (base cover plus top-up) and policies that cover even planned treatment expenses abroad.

Top-up vs single large cover

A combination of a base (regular) policy and a top-up plan will be cheaper than buying a single large cover. This is because the top-up policy is triggered only after the base cover is exhausted. If you have a base policy of Rs 5 lakh and your hospitalisation bill amounts to Rs 7 lakh, the top-up will get activated to fund the additional Rs 2 lakh. If you do not have a base policy, you will have to fund this Rs 5 lakh, termed as deductible limit, out of your own pocket

Sources- https://www.moneycontrol.com/news/business/personal-finance/individual-health-cover-along-with-corporate-health-cover-more-beneficial-12715837.html

- **Insurtech firm CoverSure raises $4 million funding, led by Enam Holdings**

Mumbai-based insurtech platform CoverSure has raised $4 million in a pre-series A funding round led by investment group Enam Holdings.

The company plans to use the funds to build a consumer-centric insurance engagement platform leveraging data-intelligence and machine learning capabilities, it said in a statement.

Founded in January 2023, CoverSure offers personalised insurance portfolio besides claim assistance and other services, to customers across health, life, motor, and travel segments in an "unbiased manner".

"Unlike many insurance platforms that focus on sales, CoverSure offers a personalised, spam-free advisory service to existing policy holders as well as new to insurance," the firm said.

"Insurance problems of a family needs an unbiased approach to solve and to that extent we have built digital-solutions with an intuitive app-first approach. At CoverSure, we are navigating people through personalised risk management dynamically, streamlined policy management, family care etc while bridging protection gaps," said founder and CEO Saurabh Vijayvergia.

The Indian insurance industry is estimated to record a CAGR of more than 14 percent over the next 10 years.

Recently, a fellow insurtech startup BimaPay Finsure Private Limited, a fintech company under the Mufin Group umbrella, raised $2 million round led by LC Nueva Investment Partners.

Source: https://www.moneycontrol.com/technology/insurtech-firm-coversure-raises-4-million-funding-led-by-enam-holdings-article-12733703.html

- **Reliance General Insurance launches personal accident policy for individuals and families**

Reliance General Insurance introduced the Reliance Personal Accident 360Shield on May 29, aiming to offer comprehensive protection to individuals and families in the event of personal accidents. The policy provides extensive coverage within India and worldwide, addressing all significant aspects of impact beyond traditional accidental disability or death coverage.

It offers support by covering a wide range of expenses, including hospitalization costs, outpatient treatment, personal and financial liabilities such as home, vehicle, and educational loans, and even legal assistance.

The policy offers valuable add-ons such as Adventure Sports coverage, Total and Partial Disablement benefits, and Unlimited Reinstatement of Accidental Hospitalisation Limit, enhancing the coverage provided.

Enhanced covers for specific situations like coma, miscarriage, and air ambulance services further strengthen the comprehensive care offered by the policy.

Coverage options range from Rs 5 lakh to Rs 25 crore, allowing individuals to select the coverage that best suits their needs and financial capabilities

The plan provides coverage for trauma counseling (up to Rs 10,000 per session) and reconstructive surgery (up to Rs 10 lakhs), ensuring comprehensive protection for policyholders. Furthermore, maintaining a Personal Accident policy can help you retain your no-claim bonus on Health Insurance.

The highlights of the policy include

Disablement coverage: Offers financial support for permanent and temporary disablement, including Permanent Total Disablement (PTD), Permanent Partial Disablement (PPD), and Temporary Total Disablement (TTD). Permanent Disablement Coverage is based on Disability scale, maximum up to Base Sum Insured, providing significant financial support in the event of severe, life-altering injuries. In the case of Permanent Total Disablement (PTD), coverage extends to 2x the base sum insured, and for Permanent Partial Disablement (PPD), it offers coverage of 1x the base sum insured. Additionally, Temporary Total Disablement (TTD) coverage is provided up to Rs 1 lakh, ensuring a steady income during recovery periods up to 104 weeks.

Accidental hospitalisation: Comprehensive coverage for inpatient treatment, day care procedures, domestic road ambulance, and pre- and post-hospitalisation expenses up to Rs 20 lakhs over an above the PA sum insured.

Enhanced hospitalisation Benefits: Features unlimited reinstatement of accidental hospitalisation limit and cumulative bonus for claim-free years.

Optional Family shield: Additional benefits for multi-member death or disability, parental care, educational grants, caregiver cover, and more.

Travel care: Overseas travel coverage including Rs 1 lakh for compassionate visits, and Rs 25 thousand each for trip cancellation, event cancellation, and extended hotel stays.

Health and well-being: Coverage for burns, fractures, head or spine injuries, coma, emergency evacuation, and more.

Adventure sports coverage: Covered up to 100 percent of base Sum Insured (SI), subject to a maximum of Rs 1 crore plus earned cumulative bonus. Includes popular adventure activities such as bungee jumping, scuba diving, trekking, and 40 listed sports, all under professional supervision.

Source- https://www.moneycontrol.com/news/business/personal-finance/reliance-general-insurance-launches-personal-accident-policy-for-individuals-and-families-12735962.html

- **Invest Wise | Term insurance for long-term goals: How much is enough?**

Wealth management is not only about generating returns. While that is one of the most important components, it is equally important to manage risk so that wealth is available for use when you need it. So, a critical question is how much do you need or how do you calculate the monetary value for a goal?

Goals differ across individuals and money needed to fund them also varies across people. However, there are some guiding principles on how much is enough. The same principles are applicable to risk mitigation tools (such as term insurance). In this piece, I am going to focus on the question – how much is enough for term insurance?

Determining the ideal term cover amount

What is term insurance? It is a life insurance product which offers financial coverage to the policyholder for a specific time. In the case of death of the policyholder, the cover amount is paid to the nominee of the policyholder. This is often a very useful risk mitigant if a bread earner is no more before some of his/her goals (which need to be met irrespective, such as children's education) are adequately funded. Further, the question always arises - how long should the coverage be?

A guiding rule of thumb for term insurance when taken for specific goals is that: a) It should be the value of the goal less the money already allocated to this goal (through investments) and b) the term insurance cover should cease once the goal is met

Let's take the case of Manish* (aged 36 years) has one kid – Ahaana* (who is an 8-year-old). He is planning for her education in an overseas university once she turns 18. He estimates that he would need Rs 4 crore for funding her education (undergraduate and postgraduate) and would need these funds in ten years' time. Manish has been aggressively saving for this goal and has already saved Rs 1 crore towards this goal

This is simplistically taking a term cover for the gap so that even if something adverse were to happen today, funds would be available for this goal. The insurance amount received should be invested back to a low-risk investment avenue which beats the education inflation rate.

However, he would continue to invest during these 10 years towards this goal. So, by the latter part of this period, he would have already covered part of the liability and may end up having excess insurance (for which you may be paying a premium).

Assuming the policyholder survives for another five years, then his savings should add another Rs 1.5 crore to the investment basket for this goal, the insurance cover should reduce to that extent. So, your gap in savings at that point in time may be Rs 1.5 crore. So, if he had taken two term plans – one of Rs 1.5 crore for 10 years and another one of Rs 1.5 crore for five years, then the term plan for five years will mature then, and the premium outgo will reduce at that stage

Source: https://www.moneycontrol.com/news/business/personal-finance/invest-wise-term-insurance-for-long-term-goals-how-much-is-enough-12734926.html

TOP CORPORATE BOND MARKET NEWS

- **Online bond platform association appoints Aditi Mittal of IndiaBonds as Chairperson**

Online Bond Platform Provider (OBPP) Association of India on May 29 said it has appointed Aditi Mittal from IndiaBonds as Chairperson of the association.

Further, it has appointed Suresh Darak from Bondbazaar as Vice-Chairperson, Tirth Shah of The Fixed Income as Secretary, and Ajay Manglunia from JM Finance as Honorary Member, as per a press release.

Additionally, Nishant Prasad of Wint Wealth has been appointed as Joint Secretary, Pranav Inamdar of Trust Securities as Treasurer, and Aashish Jindal of Grip Invest as Tech Director, the release added.

Aditya Mehta of BondConnect, Vijay Kuppa of InCred Money, Harsh Punjabee of Smest Capital, and Irfan Mohammed of Yubi Securities was appointed as Member, release added.

The name under which the association is registered is 'OBPP Association', a source said.

"I hereby certify that 'OBPP ASSOCIATION' is incorporated on this TWENTY FIRST day of NOVEMBER TWO THOUSAND TWENTY THREE under the Companies Act, 2013 (18 of 2013) and that the company is Company limited by guarantee," the document accessed by Moneycontrol of Ministry of Corporate Affairs showed.

Earlier on November 2, Moneycontrol reported that the online bond platform providers (OBPP) association has submitted its application for incorporation to the Registrar of Companies (RoC), which falls under the Ministry of Corporate Affairs.

"We have submitted our application to the registrar, and it is likely to get completed in the next 15-20 days," a source had said on condition of anonymity.

In June, 2023, Moneycontrol reported, citing sources, that a clutch of online bond platforms in India will likely form an industry association.

Source: https://www.moneycontrol.com/news/business/online-bond-platform-association-appoints-aditi-mittal-of-indiabonds-as-chairperson-12735864.html

- **India Infradebt plans to raise up to Rs 1,000 crore through bonds**

India Infradebt is planning to raise up to Rs 1,000 crore through bonds maturing in about two and half years, sources have said.

The bidding will take place between 11 am and 12.30 pm on the electronic bidding platform of BSE. Bonds consists of a fixed coupon of 8.2450 percent and XIRR (Extended Internal Rate of Return) of 8.28 percent.

The bond issue has a base issue size of of Rs 500 crore with an additional Rs 500 crore greenshoe option. A greenshoe option gives the underwriter the right to sell investors more bonds than planned if the demand is higher than expected.

The bonds have been rated "AAA" with "Stable" outlook by CRISIL and ICRA. Pay in date, when the exchange of money and bonds takes place, is on May 14. Minimum application size is Rs 1 crore and in multiples of Rs 1 lakh thereafter.

On May 10, Mindspace Business Parks Reit, ICICI Home Finance Company, SBFC Finance, Ashiana Housing, AK Capital Finance, Cholamandalam Investment and Finance Company and Rural Electrification Corporation, combined raised Rs 5,705 crore through bonds yields on corporate bonds have fallen around 5-7 basis points (bps) in the last two weeks due to easing yield on the government securities after the Reserve Bank of India (RBI) announced a buyback, experts said.

As per data compiled from market sources, yield on three-year corporate bonds fell around 5 bps, five-year 7 bps and 10-year corporate bonds were down around 6 bps.

Yield on the government securities fell around 10-11 basis points due to easing global uncertainties, helped also by buyback announcement

Source: https://www.moneycontrol.com/news/business/india-infradebt-plans-to-raise-up-to-rs-1000-crore-through-bonds-12720610.html

- **Corporate bond yields fall 5-7 bps tracking easing G-sec yields**

Yields on corporate bonds fell around 5-7 basis points (bps) in the last two weeks due to easing yield on the government securities after the announcement of a buyback of securities by the Reserve Bank of India (RBI), experts said.

As per data compiled from market sources, yield on three-year corporate bonds fell around 5 bps, five-year corporate bonds fell 7 bps and 10-year corporate bonds fell around 6 bps.

"The yields have fallen due to the unexpected announcement of buyback of government securities. This buyback of Rs 40,000 crore is expected to create significant additional liquidity in the market. The same is getting reflected in lower bond yields," said Nikhil Aggarwal, Founder & CEO, Grip Invest.

Mataprasad Pandey, Vice President, Arete Capital Service, added that corporate borrowings are generally lower in the first quarter, but this time elections are playing as an additional factor and large borrowings will prefer to wait till the election results

"Hence muted supply has resulted in lower yields," Pandey said.

Easing G-sec yield

In the last few days yield on the government securities fell around 10-11 basis points due to easing global uncertainties. Further, the announcement of the buyback of government securities also helped yields.

On May 3, the RBI announced that the central government will buy back Rs 40,000 crore worth of government securities on May 9, 2024.

The securities offered for buyback are 6.18 percent GS 2024, 9.15 percent GS 2024 and 6.89 percent GS 2025, maturing on November 4, November 14, and January 16, the central bank said

The yield on three-year corporate bonds traded in the range of 7.73-7.75 percent on May 8, as compared to 7.78-7.80 percent on April 19.

Similarly, yield on five-year corporate bonds fell to 7.69-7.71 percent range on May 8, as compared to the 7.76-7.78 percent range on April 19.

The yield on 10-year corporate bonds eased to 7.49-7.51 percent on May 8, as compared to 7.57-7.59 percent.

Aggarwal from Grip Invest said yields are generally expected to fall as central banks look to loosen monetary policy. "Timing is still unknown given the recent lower-than-expected new job numbers in the US."

Source - https://www.moneycontrol.com/news/business/corporate-bond-yields-fall-5-7-bps-tracking-easing-g-sec-yields-12718199.html

- **In a relief to low-rated bond issuers, yields down up to 25 bps in last 6 months**

ields on corporate bonds with a AA and below ratings have fallen by up to 25 basis points (bps) in the last six months due to yields on government securities also softening and better economic conditions, experts said.

One bps is one-hundredth of a percentage point.

Money market experts cited this as a positive sign for issuers in this segment who usually get higher yields due to their lower ratings.

Experts further attributed a likely rating upgrade for a few companies owing to their better financial health and stability that has made their bonds attractive. Bond yields and prices move in opposite directions.

“In line with the optimism around the potential rally, the ongoing softening in yields has been encouraging the investors waiting on sidelines to jump and lock in yields,” said Ajay Manglunia, managing director and head of investment group at JM Financial

Data from Bloomberg showed yield on AA-rated bonds maturing in three years fell 9 bps, five years by 4 bps and 10 years by up to 25 bps. Similarly, yield on three years bonds of A- and BBB-rated companies fell 2-4 bps between January and May. Yields on 10-year A-rated bonds fell around 17 bps in the six months and BBB-rated maturing in 10 years fell 2 bps.

Arun Bansal, head, treasury, at IDBI Bank said these bonds have gained favour due to an absence of issuances from big players like HDFC Ltd, and an increase in demand for HTM or held-to-maturity securities after the Reserve Bank of India (RBI) issued new investment guidelines

Venkatakrishnan Srinivasan, founder and managing partner of Rockfort Fincap, said increased inflows of foreign capital looking for higher returns compared to developed markets can lead to a decrease in yields on Indian corporate bonds.

In the last few weeks, yield on the government securities, especially on the new and old 10-year benchmark bonds, have eased around 10 bps. Currently, the yield on the 10-year benchmark bond 7.10 percent bond maturing in 2034 is trading at 7.0273 percent.

What does the trend signal?

Apart from being beneficial to lower-rated bond issuers, it also reflects a healthier financial environment for entities in this ratings category.

Srinivasan added that easing of yields on bonds rated AA and below suggests a combination of improved credit conditions, higher investor demand for yield (thanks to tax amendments on market-linked debentures), positive economic sentiment and expectations of a possibly lower rate of inflation.

“This trend is a positive signal for issuers of these bonds and reflects an overall healthier and more optimistic financial environment,” he added.

Further, Manglunia said issuers have been encouraged to access the market and sees this trend by and large continuing till a formal rate cut announcement, predicted for sometime in the second half of the financial year.

Yields may fall further

Experts said yields are expected to see even more of a decline due to multiple factors such as liquidity infusion into the banking system by the RBI through bond buybacks and reduction in treasury bill supply.

“Spreads are expected to narrow further by 5-7 bps,” IDBI Bank's Bansal said.

Srinivasan said If the economic outlook continues to remain positive, inflation is kept in check and the RBI brings back a supportive stance and starts reducing rates, yields could stay low or even decline further.

Source: https://www.moneycontrol.com/news/business/in-a-relief-to-low-rated-bond-issuers-yields-down-up-to-25-bps-in-last-6-months-12728315.html

- **Foreigners boost India's corporate debt buying before bond index inclusion**

Foreign investors are increasingly being drawn to the traditionally overlooked rupee-denominated corporate debt market in India as they gear up for the inclusion of domestic government securities to a global bond index next month, recent data showed.

While current investments remain modest, four bankers and fund managers said they anticipate an uptick as more investors familiarize themselves with Indian debt instruments

"We have seen increased interest in Indian corporate bonds from global fixed income investors as they get more engaged in Indian markets," Siddharth Bachhawat, head of markets at Barclays India said.

Foreigners have typically preferred to remain largely invested in government bonds so far.

Indian government bonds are set to be included in the JPMorgan Emerging Market local currency debt index from June 28, with market participants anticipating passive inflows of around $25 billion as a result.

Foreign investors have bought a net of 80 billion rupees ($963 million) in rupee-denominated corporate bonds since the start of 2024 after remaining net sellers for six consecutive years through 2023, with an aggregate sale of 1.06 trillion rupees, depository data showed.

Buying activity has picked-up in shorter-duration bonds issued by state-run entities such as REC and PFC, traders said, with some experts foreseeing better liquidity as well.

Though currently there is no liquidity in the high yield Indian corporate bond market, index inclusion would encourage more flows, said Hui Sien Koay, lead index, fixed income strategist for APAC at BlackRock.

This increasing interest is also making some overseas fund managers consider launching exchange traded funds focused on Indian corporate debt.

U.K.-based Tabula Investment Management, which currently provides government bond exchange traded fund, has said they are mulling a possible launch of corporate bond ETFs.

"We have been talking to investors about Indian corporate bonds and may be this would be the next fund in our India series. We might be looking at an Indian corporate bond fund potentially, depending upon the success of IGB fund," Jason Smith, CIO at Tabula told Reuters, without giving other details.

Apart from rupee bonds, investor demand has also stayed robust for dollar bonds of Indian companies since the start of 2024, with companies having to shell out lower coupons than their initial guidance.

Source: https://www.business-standard.com/markets/news/foreigners-boost-india-s-corporate-debt-buying-before-bond-index-inclusion-124052800669_1.html

- **Indian govt bond yields likely to inch further up mirroring US peers**

Indian government bond yields are expected to track the rising trend in US Treasury yields in the early trading on Thursday, even as the market eyes response to the fourth buyback of government securities this month.

India's benchmark 10-year yield is likely to move in a 7.00 per cent -7.04 per cent range, following its previous close of 7.0129 per cent, a trader with a state-run bank said.

Within a span of two weeks the 10-year US yield has jumped 30 basis points, and even though domestic fundamentals are strong and supportive, bonds should give in to some selling pressure today," the trader added.

US yields rose further as weak demand for fresh auctions continued, while commentary from Minneapolis Federal Reserve Bank President Neel Kashkari prompted a further reduction in bets of rate cuts in the world's largest economy.

Kashkari in an interview said that the Fed should wait for significant progress on inflation before cutting interest rates, and he would need "many more months of positive inflation data" for confidence to turn towards easing.

Bets of a rate cut in September has eased to 47 per cent , down from 58 per cent in the previous week, while the futures market is pricing only around 31 basis points (bps) of rate cuts this year, compared with over 50 bps earlier in the month, according to CME FedWatch Tool

Back home, the central government aims to buyback bonds worth Rs 40,000 crore ($4.80 billion) maturing within this financial year, in what would be its fourth such attempt in as many weeks.

It has already bought back securities worth around Rs 17,900 crore so far, and reduced the supply of Treasury bills by Rs 60,000 crore till the end of June, as it sits on surplus cash.

The broader sentiment was also upbeat after the central bank's record surplus transfer bolstered the government's fiscal position, leading to speculations of a further cut in debt supply sometime during the year

Source: https://www.business-standard.com/markets/news/indian-govt-bond-yields-likely-to-inch-further-up-mirroring-us-peers-124053000149_1.html

****

Department of Banking & Financial Services Upcoming Programme	
10th National Summit Non-Banking Financial Companies & Infrastructure Financing	21st June 2024

For Branding and speaker opportunities:

Mr. Kushagra Joshi
Deputy Director
Mobile: 8447365357
Email: kushagra.joshi@assocham.com

Mr Ayush Singh
Executive
Mobile: 9871330042
Email: ayush.singh@assocham.com

Further Details Please Contact:

Dr Rajesh Singh
Additional Director & HOD
(Department of Banking & Financial Services)
Mobile: 9871204880 | Email: rajesh.singh@assocham.com

CORPORATE OFFICE:

THE ASSOCIATED CHAMBERS OF COMMERCE AND INDUSTRY OF INDIA

4th Floor, YMCA Cultural Centre and Library Building, 01, Jai Singh Road, New Delhi – 110001

Website: https://www.assocham.org/

Follow Us On:-

https://www.linkedin.com/company/assochamforindia | https://twitter.com/ASSOCHAM4India | https://www.instagram.com/assocham/?igshid=ccqr05l89fkt | https://www.facebook.com/ASSOCHAM4Ind | YouTube https://www.youtube.com/channel/UCL3mhKqDyERa1dTEXL3uP_Q