

# NEWSLETTER

Volume No: 22 | October 2023

## From Director's Desk

One of the announcements in the [union budget 2023-24](#) was the intention of the government to simplify the existing regulations in the financial sector. The announcement, para 100 of the Budget Speech, reads: *“To simplify, ease and reduce cost of compliance, financial sector regulators will be requested to carry out a comprehensive review of existing regulations. For this, they will consider suggestions from public and regulated entities. Time limits to decide the applications under various regulations will also be laid down.”*

In order to operationalize this budget announcement, SEBI issued a press release on 4<sup>th</sup> October 2023, seeking public comments on 22 Regulations latest by 6<sup>th</sup> November, 2023.

Over time, a lot of cholesterol gets added to regulations. They may also become out of tune with ground realities. The interconnections between multiple regulations would get complex. Therefore, periodic revisiting and reviews are essential steps in keeping the regulations healthy for having a healthy market. Looking from this perspective, such a comprehensive review of market regulations is overdue. Though a little late it is hoped that we will have a contemporary regulatory framework for securities markets within a reasonable timeline. Since such a review was announced in February 2023, many regulatory changes assured in the interim could have waited for some time. In the same line of thinking it is hoped that no fresh regulatory changes will be announced (unless it becomes imperative on account of extraordinary circumstances) till the review is completed.

Yet another investor-friendly step that SEBI has recently taken is with respect to simplifying the process of transmission of securities on the demise of the original beneficiary and the obligations of intermediaries in smoothening the process. Vide [circular](#) dated October 03, 2023, SEBI has given a streamlined process for transmission of securities on the death of an investor and how the transmission will be done. With this proposed streamlining, considerable relief is expected for the successors of investors. Though, given the complex nature of our succession and inheritance laws the result may be still far from comfortable. However, coming after another major initiative in redressing investor grievances through a systematic online dispute resolution [ODR] announced by SEBI in July-August this year [see [Volume 20](#)], this investor-friendly measure of the transmission pathways is another step in the right direction.

**Dr. CKG Nair**  
**Director, NISM**

### India: Macro-finance Data

				% Chg in last 1 yr	% Chg in last 3 yr
As On	<b>29-09-2023</b>	<b>30-09-2022</b>	<b>30-09-2020</b>		
Nifty	19,638.30	17,094.35	11,247.55	14.8	74.6
Sensex	65,828.41	57,426.92	38,067.93	14.6	72.9
Nifty P/E	20.92	20.42	24.01		
Sensex P/E	21.64	21.34	23.86		
RBI Rate (%)	6.50	5.90	4.00		
10 Yr G Sec (GoI) %	7.22	7.40	6.01		
INR USD	83.04	81.35	73.76	-2.1	-12.6
GST Collection (Rs lakh crore)	1.63	1.48	0.96	10.2	70.4
GDP growth rate %	7.82	6.2	-5.72		
Export growth rate %, yoy	-6.84	4.82	5.9		
Import growth rate %, yoy	-5.24	8.66	-19.04		
CPI (Consumer Price Index) %	6.83	7.41	7.27		
WPI (Wholesale Price Index) %	-0.52	10.55	1.32		
BSE Mkt Cap Rs Lac Cr	319	271	155		
NSE Mkt Cap Rs Lac Cr	316	269	153		

Source: Bloomberg

**Win attractive prizes by answering simple Quiz.**

**Details in inside pages....**

#### **Congratulation to the Lucky Winners of NISM Newsletter Quiz September 2023:**

- Trupti Rathi
- Prem Kumar
- Viral Sanghavi

## FINANCIAL MARKETS

### RBI Holds the rate!!

The Monetary Policy Committee (MPC) unanimously decided to keep the repo [rate](#) unchanged at the existing 6.5% at the end of its three-day, bi-monthly deliberations on October 6, 2023. The move of the RBI's rate-panel was in line with the expectations of most economists. The repo rate or the key interest rate at which the RBI lends money to commercial banks has stood at 6.5% since February 2023, when the RBI delivered the last of hikes in the latest cycle of monetary policy tightening. The RBI maintained its GDP growth and consumer inflation projections for the current financial year, at 6.5% and 5.4%, respectively.

RBI maintains a status quo position this time as [inflation](#) is still high. In fact, going by the RBI forecast on inflation, it would be above 5% in Q3, which may ensure that the status quo prevails for the calendar year and probably for Q4 too.

### 1. WPI inflation stays in negative for 5th month at 0.52% in August 2023 due to fall in food, chemical prices [Read more](#)

Wholesale price inflation remained in the negative territory for the fifth straight month in August 2023 at -0.52%. In July 2023, the WPI inflation was at -1.36%. The negative rate of inflation in August this year is due to fall in prices of mineral oils, basic metals, chemical products, textiles and food products as compared to the corresponding month of previous year.

### 2. India's exports decline by 2.6% YoY to \$34.47 billion in September; trade deficit at 5-month low of \$19.37 billion [Read more](#)

India's exports declined by 2.59% to \$34.47 billion in September against \$35.4 billion in September 2022, according to the data released by the Ministry of Commerce on Friday. Overall imports to the country also declined by 15% YoY to \$53.84 billion in September 2023 against September 2022.

### 3. GST collection rises 10% to Rs 1.63 lakh cr in September 2023 [Read more](#)

Gross GST collections in September 2023 stood at Rs 1,62,712 crore, which is 10 % higher as compared to last year. This is the highest GST collection ever in a month. The gross GST collection during the first half of FY 2023-24 ending September 2023 was Rs 9,92,508 crore, which is 11 per cent more than the Rs 8,93,334 crore reported a year ago.

### 4. Near-record upturn in services exports spurs fastest expansion in new business in over 13 years [Read more](#)

The resilience of the service sector underscores its vital role in fueling India's economy, with the PMI results for July so far pointing to a notable contribution from the sector to overall GDP for the second fiscal quarter. The upturn in total new orders was boosted by a pick-up in international sales. Service providers noted the second fastest increase in new export orders since the series started in September 2014.

### 5. India's retail inflation eases to 5.02% in September, comes within RBI's tolerance mark after two months [Read more](#)

India's retail inflation for the month of September raised by 5.02% , compared with its growth of 6.83% in August. Industry experts predicted of a cooling in inflation in the month of September on the account of a sharp decline in select food items, including vegetable prices and edible oils.

## 6. Maharashtra tops in attracting FDI in first quarter of 2023-24

[Read more](#)

Maharashtra which was ranked first in attracting FDI of Rs 1,18,422 crore in the FY 2022-23, also ranks first in the 1st quarter of FY 2023-24. The state secured the top rank in attracting Foreign Direct Investment worth Rs 36,634 crore which is more than the sum of the investment received by Delhi, Karnataka and Telangana in the first quarter of FY 2023-24.

## 7. India's net direct tax collections rise over 23% to Rs 8.65 lk, cr.

[Read more](#)

The net collections till September 16, 2023 have reached Rs 8,65,117 cr compared to the corresponding period in the previous fiscal year, where the collections amounted to Rs 7,00,416 cr. the CIT net collections stood at Rs 4,16,217 cr, while PIT, including STT, contributed significantly with net collections of Rs 4,47,291 cr.

## CORPORATE WORLD

### 1. JPMorgan index inclusion to spur \$40 bn in inflows

[Read more](#)

JPMorgan Chase & Co.'s decision to include India as part of its emerging market global bond indices marks the end of nearly a decade of negotiations between the government and the international index provider, with the potential to draw inflows of more than \$40 billion into Indian bonds over the next 18 months.

### 2. Foreign Investors turn net sellers in Indian equities for the first time in seven months

Indian equities are set to witness their first Foreign Portfolio Investors (FPI) outflows in seven months. FPIs have pulled out over \$1.5 billion from Indian equities so far, as rising bond yields and a stronger US Dollar prompts them to take some money off the table.

[Read more](#)

### 3. Firms get flexibility on borrowing via bonds

[Read more](#)

The SEBI would grant more flexibility to large companies for incremental borrowing via bonds, and has decided to remove penalties on companies which were unable to meet the mandatory bond market borrowing quota.

### 4. India to delay import licensing of laptops

[Read more](#)

India will defer an import licence requirement for laptops and tablets, a policy U-turn after industry and the U.S. government complained about the move, which could hit Apple, Samsung and others. The plan will be delayed by a year, after which the government will consider whether to implement a licensing regime or not, one of the officials told Reuters, requesting anonymity.

### 5. India's ultra-long bonds to see ample demand from insurers, pension funds

[Read more](#)

India is set to make its first-ever issuance of 50-year government bonds as part of its plan to raise ₹6.55 lakh crore in market borrowings in the second half of the fiscal year ending in March 2024; government to also sell 30-year green debt securities.

## REGULATORY DEVELOPMENTS

### 1. Investors' complaint redressal platform SCORES linked to online dispute resolution

The complaint lodged on the SEBI redressal platform against any entity will be automatically forwarded to the concerned entity which will be duty-bound to resolve in 21 calendar days.

[Read more](#)

## 2. SEBI streamlines process for seeking prior approval for change in control of merchant bankers [Read more](#)

Under the process, the intermediary will have to make an online application to Sebi for prior approval through its intermediary portal. SEBI streamlined the procedure of obtaining prior approval for the proposed change in control of merchant bankers and bankers to an issue. The new process has been made applicable from September 1, 2023.

## 3. RBI issues new prudential regulations for All India Financial Institutions [Read more](#)

The directions are set to govern the operations of five prominent All India Financial Institutions (AIFIs), namely Export-Import Bank of India (EXIM) Bank, National Bank for Agriculture and Rural Development (NABARD), National Bank for Financing Infrastructure and Development (NABFID), National Housing Bank (NHB), and Small Industries Development Bank of India (SIDBI).

## 4. IRDAI reiterates TRAI directions for curbing Unsolicited Commercial Communication [Read more](#)

IRDAI has published TRAI directions with regard to the verification of Headers and Message Templates by principal entities to prevent misuse by fraudsters who've gained access to such elements. Additionally, in order to strengthen the process so that only genuine communication go to the consumers, TRAI has issued directions which need to be implemented by the principal entities. [Read more](#)

## 5. RBI sets up Working Group on ECL- based framework for provisioning by banks [Read more](#)

The Reserve Bank of India (RBI) has set up an external Working Group on Expected Credit Loss (ECL) based Framework for Provisioning by Banks. The working group will set out the principles required to be considered by banks while designing the credit risk models to be used for assessing and measuring expected credit losses. [Read more](#)

## 6. Empowered to lift corporate veil: SEBI [Read more](#)

The SEBI said it is statutorily empowered to lift the corporate veil and find out the truth whenever the interests of the investors are affected or likely to be affected. [Read more](#)

### DEVELOPMENTS IN RELATED AREAS

#### 1. Net FDI, FPI and FII data (2022-2023) [Read more](#)

FDI, FPI and FII data are out for ready reference in RBI Bulletin for September 2023 with estimates of latest months along with debt transactions of FDI enterprises – point 34 under Foreign Investment Inflows.

#### 2. India looking at further easing FDI norms in space sector [Read more](#)

There is huge scope for Saudi Arabian companies to invest in India in different sectors such as aviation, pharma, bulk drugs, renewable energy, food processing and agri-tech. The collaboration can extend to technological boost such as in artificial intelligence, robotics, cyber security, automation, and space, where further liberalization in FDI norms is possible.

#### 3. India's current account deficit widens to \$9.2 billion in June quarter [Read more](#)

India's current account deficit (CAD) widened to \$9.2 billion during the June quarter (Q1 FY24), from \$1.3 billion in the previous quarter (Q4 FY23) owing to a higher trade deficit, lower surplus in net services, and a drop in private transfer receipts. The widening of the trade deficit comes amid a sharp decline in merchandise exports owing to slowing demand in Western countries and China.

## GLOBAL FINANCIAL DEVELOPMENTS

### US & UK holds their rates

The US Federal Reserve announced its [interest](#) rate after a two-day Federal Open Market Committee (FOMC) meeting on September 20, 2023 and left the benchmark interest rates unchanged at 5.25 per cent - 5.50 per cent. US Federal Reserve was widely expected to keep the interest rate unchanged after having raised its policy rate by 525 basis points since March 2022 to the current 5.25 per cent-5.50 per cent range, despite persistent US inflation rate levels exceeding the central bank's target range while the US economy remains resilient.

The Bank of England (BoE) also, held its key [interest](#) rate at 5.25 per cent on September 21, 2023 following 14 hikes in a row to fight soaring inflation. The decision to freeze the borrowing costs came after official data revealed a cooling of consumer price rises in Britain.

#### 1. US inflation at 3.7% in September 2023

[Read more](#)

Consumer prices grew at the same pace in September 2023 as they had in August. The data contained evidence that the path toward fully wrangling inflation remains a long and bumpy one. The Consumer Price Index climbed 3.7% from a year earlier.

#### 2. China cuts banks' reserve ratio to aid recovery

[Read more](#)

The People's Bank of China (PBOC) has cut the reserve requirement ratio (RRR) for all banks, except those that have implemented a 5% reserve ratio, by 25 basis points from Sept 15, 2023. The move came after the world's second-biggest economy has struggled after its post-pandemic recovery faltered.

#### 3. Sharp decline in UK economy in July revives recession risk

[Read more](#)

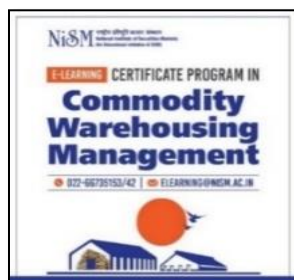
The UK economy shrank at the fastest pace in seven months in July 2023 as strikes and wet weather hit activity harder than expected, reviving fears that a recession may be under way. Gross domestic product slipped by 0.5% following a 0.5% gain in June 2023

#### 4. ECB raises key rates by 25 bps in September monetary policy meeting

[Read more](#)

ECB has indicated that interest rates have peaked i.e. ECB is at a terminal rate already. The euro has fallen on the headlines as the ECB also lowers its economic projections significantly.

## NISM PROGRAMS



**Certificate Program in Commodity Warehousing Management:** This e-learning program aims to train the participants with the best practices in the warehousing management industry. The course would enable passionate professionals to handle all functions related to warehousing right from good practices in the commodity eco-system such as storage, price stabilization, minimization of risk, financing, grading and packing.

[Read more](#)

**NISM Series-XVII: Retirement Adviser Certification Examination:** This Certification examination seeks to create a common minimum knowledge benchmark for individuals, proprietors, partners and representatives of a retirement adviser registered under Pension Fund Regulatory and Development Authority (Retirement Adviser) Regulations, 2016.

The Certification covers all important topics to enhance the quality of retirement advisers. It covers topics related to retirement planning—fundamental concepts; retirement planning products, process and strategies; evaluating fund performance and selection; National Pension System (NPS) and other retirement products. The book also discusses the concept of compliance, operations and service elements in retirement advise.



### NISM & CRISIL certified e-learning programme

[Read more](#)



NISM & CRISIL Certified Credit Underwriter Programme and Wealth Manager is designed to hone skills to shape critical financial outcomes. The course has been tailored with the perfect balance of conceptual learning, case studies, data trends and examples resulting in a practitioner-oriented approach to learning.

### The Fourth Annual International Capital Markets Conference 2023



NISM along with the Systemic Risk Centre (SRC) at the **London School of Economics (LSE)** is organizing The Fourth Annual International Capital Markets Conference 2023 on “Securities Market: Governance, Instruments and Regulations for Sustainable Development” sponsored by State Bank of India. NISM invites academicians, researchers, policy makers, regulators, students and other stakeholders to send original unpublished research papers. The conference is to be held in Mumbai at the NISM campus on 14-15 December, 2023.

[Read more](#)

## Call for Papers - 5th SEBI-NISM Research Conference



SEBI and NISM are glad to invite academicians, researchers, policymakers, regulators, students and other stakeholders to participate in the Fifth SEBI-NISM Research Conference on “Sustained Capital Formation – The Way Forward”. The conference is to be held during March 14-15, 2024 in physical mode at NISM Campus, Patlangana. [Read more](#)

## Online Certificate Course in Investment Management (Advanced Level)



The CCIM Advanced course is designed to provide participants with advanced knowledge and skills in investment decision-making, focusing on equities and equity derivatives. It is an online weekend program with instructor-led sessions and hands-on experience in live markets. Eligibility criteria include prior completion of the Basic Level or one of the relevant NISM Certifications. The course covers stock selection, technical analysis, derivatives trading strategies, and more, preparing participants for success in dynamic investment environments. The Advanced Level course fee is ₹20,000 plus 18% GST, with admissions open until September 28, 2023, and classes starting on September 30, 2023. [Read more](#)

## AML – Professional in Securities Markets (APSM)

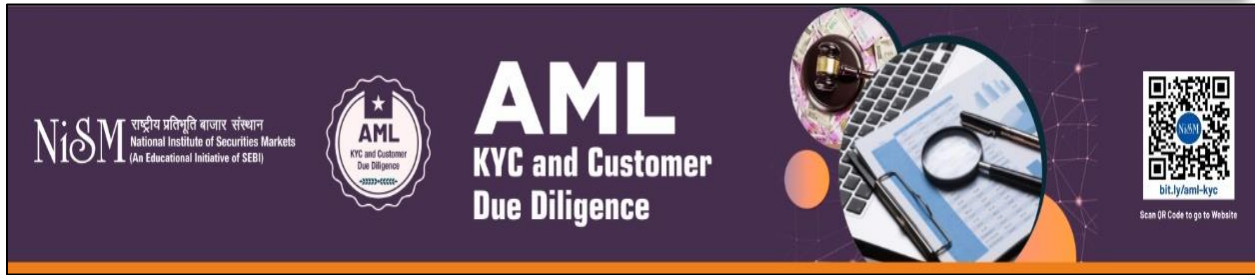


Money laundering poses a significant threat to the integrity and stability of the global financial system. It involves the process of concealing the origins of illicitly obtained funds and making them appear legitimate. The Anti Money Laundering Professional in Securities Market course is structured to provide a holistic view of the AML landscape, focusing specifically on the securities market. Whether one is an industry professional looking to enhance knowledge and skills or a student aspiring to build a career in this field, this course has the expertise required to fulfil the crucial role of an AML professional. [Read more](#)



## AML – KYC and Customer Due Diligence

[Read more](#)



Know Your Clients (KYC) and Customer Due Diligence (CDD) forms the edifice on which the entire structure of AML Framework stands. The purpose of AML deals with identifying those customers who resort to illegitimate process of cleansing the ill-gotten wealth. The Course on KYC and Customer Due Diligence offers a comprehensive curriculum that explores the regulatory requirements and best practices for establishing robust KYC processes. Throughout this course, one will learn the essential components of an effective KYC program, including customer identification, verification procedures, risk assessment, and ongoing monitoring. One will understand the significance of accurate record-keeping, proper documentation, and adherence to anti-money laundering (AML) regulations in the KYC process.

## AML – Transaction Monitoring and Suspicious Transaction Reporting



Transaction Monitoring and Suspicious Transaction Reporting eLearning course, developed by the NISM, is comprehensively designed to equip one with the knowledge and skills necessary to effectively monitor transactions and report suspicious activities in the securities market. The Transaction Monitoring and Suspicious Transaction Reporting course offers a deep dive into the principles, methodologies, and best practices involved in monitoring transactions effectively. It provides insights into the regulatory framework and guidelines governing transaction monitoring and reporting in the securities market.

[Read more](#)

**NISM's Hands-on MDPs on Technical Analysis and Derivative Strategies:** This course will help participants unleash their full potential in stock market investing and trading. It will help discover powerful insights from industry experts, elevate their financial knowledge, and equip them for future challenges. Whether the participants are seasoned traders or new to the world of financial markets, this program will provide them with valuable knowledge and practical skills. Join us to unlock the potential and make informed trading decisions in today's dynamic financial landscape. Now offered in Hybrid Mode - with offline training at NISM - Navi Mumbai. Seats are limited, so secure your spot now!

[Read more](#)



## FDP on Fast Evolving Indian Securities Markets



NISM present a comprehensive refresher program designed to equip participants with the essential skills and knowledge needed to navigate the rapidly evolving landscape of the Indian Securities Markets. This refresher program covers, understanding the market, managing money smartly, dealing with personal finance, and making wise investments. It also explains how to manage risks, plan for retirement, so you can be ready to make smart decisions for your financial future.

[Read more](#)

### NISM Team writes...

#### Unlocking Career Opportunities in India's Thriving Securities Markets

India's securities markets have emerged as a dynamic hub, offering plenty of career opportunities for individuals with a passion for finance, a knack for analysis, and an appetite for success. This phenomenon is especially evident in the post-COVID era due to the economic position of our country as well as interest from new retail as well as institutional investors.

These markets consist of not just stock exchanges, mutual funds, brokerage firms, but also underwriters, commercial Banks etc. and are at the forefront of the country's economic growth story. Here are five careers you can opt for in Securities Markets in this new era of securities markets:

- 1. Algorithmic Trading Developer:** An Algorithmic Trading Developer is responsible for designing, developing, and maintaining algorithms and software systems used for algorithmic trading in Securities market trading strategies.
- 2. Environmental, Social, and Governance (ESG) Analyst:** ESG Analysts are the ones who evaluate if organizations incorporate sustainable and ethical practices into their business operations. They also assess and analyse the environmental, social, and governance performance of companies and investment opportunities.
- 3. Securities Operations Specialist:** These specialists handle trade confirmation, settlement, clearance, and record-keeping for smooth and efficient execution of various processes related to securities trading and settlements.
- 4. Securities Lending Specialist:** They specialize in facilitating various crucial processes of transferring securities from one party or the lenders to the borrowers in exchange for collateral and a fee.
- 5. Securities Market Economist:** They provide crucial insights into various market trends, economic factors, and financial events that can impact the securities market at any point in time.

-Contributed by: Ms. Rajalakshmi R. S

## Bima Sugam: A Game-Changer for the Indian Insurance Sector

The Indian insurance landscape is currently undergoing a revolutionary transformation, marked by the emergence of Bima Sugam—an innovative online platform that is poised to become a watershed moment in the Indian insurance sector. Bima Sugam is set to reshape how individuals in India approach insurance, offering a diverse range of schemes from various companies, all accessible at their fingertips. This digital platform seamlessly caters to a multitude of insurance needs, encompassing life, health, and general insurance, including motor and travel coverage. One of its most remarkable features is the streamlined, paperless processing of insurance claims, ensuring swift resolution based on policy numbers.

Before diving into the transformative impact of Bima Sugam, it's essential to grasp the concepts of insurance penetration and insurance density. Insurance penetration is defined as a country's total insurance premiums as a percentage of its gross domestic product (GDP), indicating how much the insurance sector contributes to the national economy. Insurance density, on the other hand, is the ratio of insurance premium to the total population, offering insight into how much each individual in a country spends on insurance in terms of premium.

According to data released by the Insurance Regulatory and Development Authority of India (IRDAI), India has experienced a notable surge in insurance penetration in recent years. In the fiscal year 2019-20, insurance penetration stood at 3.76%, and it has since seen impressive growth, reaching 4.20% in 2020-21. Similarly, insurance density, also exhibited significant growth, rising from \$78 in 2020-21 to \$91 in 2021-22.

This trend was also emphasized in the Economic Survey for the year 2022-2023. In 2021, life insurance penetration in India stood at 3.2%, surpassing emerging markets' averages and slightly exceeding the global average. The life insurance segment in India experienced remarkable growth, with a year-on-year increase of 10.2% in the fiscal year 2022, with new business ventures contributing a substantial 45.5% to the total premiums received by life insurers.

In the fiscal year 2022, gross direct premium collections by non-life insurers, registered a significant year-on-year growth of 10.8%. This impressive growth was primarily driven by the health and motor insurance segments. The net incurred claims of non-life insurers in fiscal year 2022 amounted to ₹1.4 lakh crore, largely propelled by factors such as increasing per capita income, product innovations, customization, the development of robust distribution channels, and rising financial literacy among the population.

Bima Sugam's introduction couldn't have come at a more opportune time for the Indian insurance sector. This pioneering platform is set to democratize access to insurance products, making them more accessible and transparent for the common citizen. Its digital nature aligns with India's broader push towards a digital economy, simplifying the insurance process and providing quicker claim settlements. In a landscape where insurance is becoming increasingly vital, Bima Sugam represents a significant step forward. It stands as a shining example of how technology can drive growth and innovation in the insurance sector. As India continues to ascend in the global insurance arena, Bima Sugam is poised to play a pivotal role in shaping the industry's future, making it brighter, more inclusive, and more prosperous for all.

**-Contributed by Mr. Lal Vikram Singh**

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### Think before you borrow

Borrowing for both needs and wants is a common practice in personal finance, but it's essential to distinguish between the two to make wise financial decisions:

**Borrowing for Needs:** Needs are necessities to live a life which one cannot do away with. This involves taking loans or using credit to cover essential expenses, such as housing, healthcare, education, and sometimes transportation. Borrowing for needs often leads to long-term benefits, such as home ownership, improved career prospects through education, or access to necessary healthcare services. Borrowing for needs leads to Assets creation. Borrowing for needs typically involves more thoughtful consideration and financial planning since these expenses are essential for a stable and fulfilling life.

**Borrowing for Wants:** Wants are wishes or desires which can wait if one does not have money for them. Borrowing for wants pertains to using credit or loans to fulfill non-essential desires and luxuries, such as vacations, entertainment, designer clothing, or high-end electronics. These loans often provide short-term gratification and enjoyment but may not lead to long-term financial benefits or assets. Borrowing for wants carries a higher risk of overextending one's finances, as it may lead to debt accumulation for items that depreciate in value or do not contribute to financial stability.

Key Considerations before you borrow money: -

- **Prioritization:** It's crucial to prioritize borrowing for needs over wants to ensure financial stability and security. Needs should come first in one's financial planning.
- **Budgeting:** Create a comprehensive budget to determine how much one can comfortably allocate to both needs and wants. Ensure that one's borrowing aligns with their budgetary limits.
- **Interest Costs:** Understand that borrowing often comes with interest costs. High-interest loans for wants can significantly increase the overall cost of the item or experience.
- **Emergency Fund:** Before considering borrowing for wants, it's advisable to establish an emergency fund to cover unexpected expenses, reducing the need for credit in emergencies.

In conclusion, borrowing for needs is generally a responsible financial decision, as it addresses essential aspects of life and can lead to long-term benefits. Borrowing for wants, on the other hand, should be approached cautiously, with a clear understanding of the potential consequences on your financial well-being. Balancing both needs and wants in your financial planning is key to achieving a healthy and sustainable financial life.

**-Contributed by Mr. Kuldeep Thareja**

## NISM NEWS

### NISM-IRM Enterprise Risk Management Summit



The 2nd NISM-IRM Enterprise Risk Management Summit took place on September 26, 2023, at MCA, BKC. Deloitte served as the knowledge partner for the event. The event was honored by the presence of Mr. Ananth Narayan, Whole Time Member of SEBI, Mr. Sunil J. Kadam, Registrar, NISM, Mr. Rakesh Maheshwari, former Senior Director and General Counsel of the Ministry of Electronics and Information Technology and Mr. Santosh Kumar, Partner and Risk Advisor at Deloitte India. Esteemed national and international speakers shed light on various topics, including:

- CEO's Perspective on CROs as Management Committee Members and the Importance of Risk Culture
- Macroeconomic and Geopolitical Risks in the New Global Order and Their Impact on India

- Data Privacy Risks and DPD Act
  - Cybersecurity and Data Privacy Risks and Opportunities
  - ESG Risks and Opportunities
  - Creating a Risk-Intelligent and Resilient Enterprise Through the Digital Transformation of the ERM Process
  - Risk in the Boardroom: How CROs Can Engage Board Members and Gain Confidence.
  - Gray Rhino and Black Swans Arising from Business Model Disruptions and Social Media Trials.
- The program attracted approximately 100 participants from prestigious organizations.

### **Training Programme on Role of SEBI, RBI and Overview of Securities Markets for MBA(FM) Students of AJNIFM**



NISM organised a training Programme on the Role of SEBI, RBI and Overview of Securities Markets for 43 MBA students of AJNIFM from September 11-15, 2023 at its Patalganga Campus. The week-long programme was a blend of technical sessions, trading in simulation lab and visits to regulatory organisations and Stock Exchanges. Dr CKG Nair, Director NISM in his inaugural address shared some thoughts on public issue of securities, disclosers by listed entities and on corporate governance.

### **Training Programme on Overview of Securities Markets for Officers of Department of Investment and Public Asset Management (DIPAM)**



NISM organised a training Programme on the Overview of Securities Markets for 17 Officers of DIPAM from September 20-22, 2023 at its Patalganga Campus. The 3-day programme was a blend of technical sessions, trading in simulation lab and visits to regulatory organisations and Stock Exchanges.

### **Webinar on Financial Planning for Homemakers**

On September 26, 2023, a webinar on "Financial Planning for Homemakers" was organized by NISM. Ms. Shweta Camma, an experienced market professional was the speaker of the webinar. During the event, Ms. Camma shared valuable insights on a range of financial topics, including budgeting, the significance of savings and investments, the power of compounding, the importance of an emergency fund, retirement planning, and the role of insurance etc.

The primary aim of the webinar was to equip homemakers with the knowledge and tools necessary to make informed financial decisions, both for themselves and their families. The event attracted over 400 participants.

## Workshop on Advanced Excel for NISM staff members

NISM conducted a workshop on Advanced Excel for its employees on September 21 & 22, 2023. The trainer was Mr. Dhiren Gokani, Manager, NISM. The workshop had covered advanced Excel techniques like functions and formulas, Data consolidation and validation, Pivot tables & Charts, Advanced charting, Power query, etc.

Answer questions of the quiz to win attractive prizes.

### NISM Newsletter Quiz

Three lucky winners who give all correct answers will be given complimentary subscription to NISM's e-learning module on Mutual Funds.

▪ Last date to participate is October 31, 2023

#Terms and condition apply.

## FOOD FOR THOUGHT – FROM NISM BRAINS

- **Dr. CKG Nair:** “Strengthening disclosure-based regime for FPIs – Challenges and Impact” featured in Prime Directory; September, 2023. [Read more !\[\]\(661ad2fdbe8fa1392f2b194cfa45d124\_img.jpg\)](#)

Foreign portfolio investment has been a major area of policy focus in India since the securities markets had been progressively opened up. SEBI has decided to take additional steps to strengthen the regulatory oversight over the FPIs, particularly those with high concentration. SEBI has had a structured regulatory framework for portfolio flows initially in the form of Foreign Institutional Investor (FII) Regulations, which was later renamed as Foreign Portfolio Investors [FPIs]. Though, based on the extent of regulation in their home jurisdictions, compliance with the Financial Action Task Force [FATF] norms and /or the level of governance of such entities FPIs are divided into different categories, the level of disclosures from some of the entities is not adequate for a sound disclosure-based regulatory regime.

- **Dr. CKG Nair:** “A fresh approach to addressing climate change” featured in Business Line on September 29, 2023. [Read more !\[\]\(3168ddc4389f6b417dd71f084513be9c\_img.jpg\)](#)

Global efforts have been superficial; at the individual level, moderating consumption will help. Climate change concerns have moved far from just ‘inconvenient truth’ to a ‘real and present danger’. Growth at any cost does not help anyone; overheated growth and heating planet will lead only to massive explosion.

- **Dr. CKG Nair jointly with Dr. M. S. Sahoo:** “Can’t have a common approach: A regulatory quest for standards doesn’t factor in the wide on-ground differences” featured in Financial Express on September 22, 2023. [Read more !\[\]\(91f916b54a4c6447ad9638d4638be954\_img.jpg\)](#)

The corporate governance space is always alive, particularly with recurring stories of adventures and catching-up regulations. Though, for those who are mandated to implement (the board and top management), it could be boring or even nightmarish. We need to wait and watch how the market responds to these apparently contrasting routes to ease of doing business; to enhance standards or to exit.

- **Dr. Rachana Baid & Mr. Ajay Tyagi:** “BRSR filings: Not mere disclosures” featured in Business Line on September 25, 2023. [Read more](#)

BRSR filings by listed companies are not mere disclosures. They bring significant data of these companies in the public domain, which would be gainfully used to improve various ESG parameters, adopt best-in-class global practices, analyses vulnerability, build appropriate tools for supervision and regulation, and help the country in monitoring its compliance with various international commitments and obligations.

- **Mr. Kuldeep Thareja, Ms. Mitu Bhardwaj & Rasmeet Kohli:** “Of US fractional investing and the lesson for India” featured in Mint on September 26, 2023. [Read more](#)

In the Indian context, technological capabilities would certainly not take much time to make fractional shares a reality, however, the securities market landscape is yet not prepared. Fractional shares need to be defined in the regulatory statutes; roles and responsibilities of MIIs and various intermediaries need to be defined; rules for usage of funds/securities need to be laid down. Further the authors believe that inclusive access to small investors through fractional shares need to be complemented with financial education.

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