



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

## **DAILY NEWS DIGEST BY BFSI BOARD**

**November 03, 2022**

### **SEBI PEGS DUES WORTH RS 67,228 CRORE AS 'DIFFICULT TO RECOVER':**

Capital markets regulator Sebi has segregated dues to the tune of Rs 67,228 crore under "difficult to recover" category at the end of March 2022. Overall, the regulator has dues worth Rs 96,609 crore that needs to be recovered from entities, including those that failed to pay the fine imposed on them, failed to pay fees due to markets watchdog and did not comply with its direction to refund investors' money, according to Sebi's annual report for 2021-22. Out of Rs 96,609 crore, the regulator said that Rs 63,206 crore, which is 65 per cent of the total, pertains to Collective Investment Scheme (CIS) and deemed public issues of PACL Ltd and Sahara Group company - Sahara India Commercial Corporation Ltd. Also, Rs 68,109 crore, amounting to 70 per cent of the total dues, is subject to parallel proceedings before various courts and court-appointed committees. In these cases, Sebi's recovery proceedings are subject to directions of respective courts or committees.

**(Moneycontrol)**

**AIR ASIA SELLS REMAINING STAKE IN INDIA OPS TO AIR INDIA:** Air Asia Aviation Group Limited, the holding company of Capital A's airline group (formerly known as Air Asia Investment - part of Malaysia's Air Asia Group) informed the bourses on November 2 that it has sold its remaining stake in the India operations of the airline to Air India. This means Air India has signed agreements to complete the acquisition of 100 percent shareholding in Air Asia India (AAI) and to subsidiarize it under Air India.

**(Moneycontrol)**

### **TRANSPARENCY IS NOT BEING COMPROMISED, WILL MAKE INFLATION LETTER TO GOVERNMENT PUBLIC: RBI GOVERNOR:**

Allaying concerns around lack of transparency, Reserve Bank of India Governor Shaktikanta Das on Wednesday said that its letter to the government will be released to the public at some point. Not making the letter public does not compromise transparency, Das said, adding that nothing in the law gives him the authority, privilege and luxury of sharing privileged communication between the government and the central bank. Lot of discussion about why RBI is not releasing its letter to the government publicly. MPC minutes of the meeting are meant for the wider economy. The letter will be available to the public at some point," Das said at FIBAC 2022.

**(Economic Times)**

### **RBI's RETAIL E-RUPEE PILOT TO START THIS MONTH ITSELF: RBI GOVERNOR:**

The RBI governor Shaktikanta Das on Wednesday revealed that the RBI would follow up on the wholesale e-rupee pilot with a similar trial on the retail side this month. He



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(ST ATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

described the introduction of the central bank digital currency (CBDC), which began on the wholesale front between a select group of banks on Tuesday, as a milestone point in the history of the country's currencies and added that it will fundamentally alter how businesses are conducted. "The retail part of the CBDC trial will be launched later during this month. We will announce the date separately," Das said, speaking at the annual FIBAC conference of bankers.

*(Economic Times)*

**NHAI TO NOW ACCEPT ELECTRONIC BANK GUARANTEES:** The National Highways Authority of India (NHAI) has started accepting Electronic Bank Guarantees (E-BGs) and has also digitalized all its existing Bank Guarantees. An official statement said this is being done to improve efficiency and transparency of internal processes and take forward the adoption of digital technology. NHAI is said to be utilizing the E-BG services of National e-Governance Services Limited (NeSL).

*(Economic Times)*

**GOVT CUTS FERTILISER SUBSIDY FOR DAP, POTASH IN RABI SEASON; RAISES IT FOR NITROGEN:** The Cabinet on Wednesday increased the subsidy rates for nitrogen (N), but cut the support for phosphorus (P), potash (K) and sulphur (S) under the Nutrient Based Subsidy (NBS) scheme for current rabi season from the rates fixed for the kharif season. Based on the new rates, total cost of subsidy is estimated at ₹51,875 crore for rabi season. As per the cabinet decision, the subsidy for 'N' will be ₹98.02/kg during the rabi season, up from ₹91.96/kg in kharif. However, the official assistance to fertiliser companies for 'P' has been reduced to ₹66.93/kg from ₹72.74/kg, that of 'K' to ₹23.65/kg from ₹25.31/kg and sulphur to ₹6.12/kg from ₹6.94/kg. "Subsidy approved by Cabinet for the NBS Rabi-2022 (from October 1, 2022, to March 31, 2023) will be ₹51,875 crore, including support for indigenous fertiliser (SSP) through freight subsidy," "With total subsidy in rabi season increasing to Rs 1.38 lakh crore, the overall fertiliser subsidy bill may touch Rs 2.25 lakh crore against Rs 1.05 lakh crore Budget Estimate for FY 2022-23,"

*(Business Line)*

**SMEs STRUGGLE MOST WITH DIGITAL MARKETING, ORDER MANAGEMENT, PAYMENTS IN ONLINE SALES: BCG SURVEY:** Even as awareness and adoption of digital tools are gradually increasing among SMEs to sell more online and grow faster, there are multiple aspects of digital sales where enterprises have been struggling. While more than 60 per cent of SMEs expect their online sales will further increase in the future, digital marketing was the major area of challenge for 78 per cent of them, said a BCG India MSME Survey 2022 of over 1,000 MSMEs by Boston Consulting Group on Wednesday.

*(Financial Express)*



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

## **JUSTDIAL JOINS HANDS WITH TELANGANA GOVERNMENT TO DIGITISE**

**MSMEs IN THE REGION:** Mumbai-based hyperlocal search engine, Justdial on Tuesday announced signing a Memorandum of Understanding (MoU) with the Industries and Commerce (I&C) Department of the Government of Telangana to digitise MSMEs.

*(Financial Express)*

**RBI LOOKS TO DIGITISE SME LOANS END-TO-END IN 2023:** RBI may enable end-to-end digitalisation of loans to SMEs in 2023 along with complete digitalisation of Kisan Credit Card (KCC)-based loans depending on the learnings from the ongoing pilot project of digitised KCC lending, according to the central bank governor Shaktikanta Das. Addressing the FICCI's banking conference FIBAC 2022 on Wednesday

*(Financial Express)*

## **USFDA ISSUES WARNING LETTER TO LUPIN FOR MAHARASHTRA-BASED**

**API PLANT:** The US health regulator has pulled up drug maker Lupin for manufacturing lapses, including failure to establish adequate written procedures for cleaning equipment, at its Maharashtra-based plant. In a warning letter, the US Food and Drug Administration (USFDA) has pointed out various lapses at the Tarapur (Thane) plant which produces active pharmaceutical ingredients (API).

*(Business Standard)*

## **RELIANCE CAP BIDDERS RAISE ISSUES WITH RS 20,000 CR FINANCIAL**

**IMPLICATION:** Suitors of debt-ridden Reliance Capital Ltd (RCL) have flagged off various legal issues with cumulative financial implication of Rs 20,000 crore to the lenders and administrator as the deadline for submission for binding bid is approaching. The last date for submitting binding bids for Reliance Capital and its subsidiaries is November 28.

*(Business Standard)*

## **TATAS TO RAISE RS 4,000 CR FROM NHB, BONDS MARKET IN MEGA HOME**

**LOAN PUSH:** Tata Capital Housing Finance, a Tata Capital subsidiary, is planning a big push into the home loan category as it seeks Rs 3,000 crore funding from the National Housing Bank and plans to raise Rs 1,000 crore via bonds to grow its business. The company will be offering loans to both retail and real estate developers. The funds are being raised amid an expansion in its loan portfolio to Rs 33,201 crore, as on September-end this year, from Rs 29,311 crore on March 31. Retail housing loans comprised 55 per cent of total portfolio, loans against property stood at 27 per cent, while the rest consisted of loans to real estate developers.

*(Business Standard)*



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

## **KARNATAKA BANK POSTS ALL-TIME HIGH Q2 NET PROFIT OF RS 411 CR,**

**NII UP 26%:** Mangaluru-headquartered Karnataka Bank has posted an all-time high quarterly net profit of Rs 411.47 crore for the quarter ended Sept-2022. This shows growth in net profit by 228 percent, compared to the Sept 2021 quarter net profit of Rs 125.45 crore. The NPAs have also further moderated as the GNPA's reduced to 3.36 percent against 4.03 percent as of June 30, 2022, while NNPA's also reduced to 1.72 percent against 2.16 percent as of June 30. The business turnover of the bank has touched a new high of Rs 1,41,505.87 crore as of September 30, 2022. Year-on-year, the deposits grew from Rs 76,921.53 crore to Rs 81,633.40 crore, and advances grew from Rs 54,341.57 crore to Rs 59,872.47 crore.

***(Business Standard)***



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

## ***FINANCIAL TERMINOLOGY/CONCEPTS***

### **How is CBDC different from UPI, NEFT, RTGS, IMPS?**

- ❖ The Central Bank Digital Currency (CBDC) or the Digital Rupee will be used for making digital payments similar to making payments made through UPI, NEFT, RTGS, IMPS, Bharat Bill Payment System (BBPS), National Electronic Toll Collection (NETC), debit/credit cards etc, but so far for specific purposes.
- ❖ The digital currencies introduced by the government are expected to have significant usage in large payments and settlements. Primarily, it will be used to settle purchases and sale of government securities like government bonds. Soon, it will be used to make retail transactions too.
- ❖ CBDC can be classified into general purpose or retail CBDC and wholesale CBDC. The RBI has designed the wholesale CBDC for the settlement of interbank transfers and related transactions. The wholesale CBDC can significantly transform the settlement systems for transactions and make them more efficient and secure.
- ❖ Digital currency works similarly as the regular currency issued by the Reserve Bank of India (RBI). They are basically currencies in the digital form and would appear as liability or currency in circulation in the balance sheet of RBI. Alike the regular currency notes, digital currency can also be exchangeable.
- ❖ Although both digital currency and crypto currency involve online modes of transaction, there are slight differences between the both. CBDC refers to the digital form of a country's fiat economy, while crypto currencies are an alternative form of payment with a unique algorithm. The digital currencies can be called the country's digital fiat and the crypto currencies are digital assets in a decentralised network. On the other hand, while the digital currencies are entirely regulated by the central bank and the government who set the value of the currency, crypto currency's value is independent of central banking authorities and follows a transparent procedure from mining to ownership to transfer of assets.
- ❖ Digital rupee or the Central Bank Digital Currency (CBDC), like the other forms of digital payments like UPI, IMPS, transactions through debit or credit cards, etc, will be an underlying payment mode used for digital payments in lieu of currency or cash. However, while the UPI transactions are completely backed by physical currency, the digital rupee or CBDC is a legal tender in itself and need not necessarily be backed by physical currency. Also, in the conventional online transactions, every bank has their own individual handler, but the digital currency will be operated by RBI; hence, the transactions will be direct and settled instantly.



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
**CMA BHAWAN**  
12, SUDDER STREET, KOLKATA – 700 016

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723  
Website :www.icmai.in

### **RBI KEY RATES**

Repo Rate: 5.90%  
SDF: 5.65%  
MSF & Bank Rate: 6.15%  
CRR: 4.50%  
SLR: 18.00%  
Fixed Reverse Repo: 3.35%

### **FOREX (FBIL 1.30 PM)**

INR / 1 USD : 82.7650  
INR / 1 GBP : 95.2156  
INR / 1 EUR : 81.7856  
INR /100 JPY: 56.1600

### **EQUITY MARKET**

Sensex: 60906.09 ( -215.26)  
NIFTY : 18082.80 (-62.60)  
Bank NIFTY: 41146.70 (-142.90)

**(CMA Chittaranjan Chattopadhyay)**

**Chairman,**

**Banking, Financial Services & Insurance Board**

***Disclaimer:** Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICAI takes no responsibility for the accuracy and reliability of information published in the Daily News Digest. No part of this Daily News Digest may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise without the permission of BFSIB of ICAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.*