



**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, ICAI

July 4, 2021

- **EDs in Public Sector Banks: Banks Board Bureau recommends 10 candidates in 2021-22:** The Banks Board Bureau (BBB) has recommended ten candidates to the panel that will be used for filling vacancies of Executive Directors in various Public Sector Banks (PSBs) in the year 2021-22. These names have been shortlisted after the BBB, which is the head hunter for the government for filling top level posts in PSBs, insurance companies and other financial institutions, interfaced with 40 candidates (chief general managers and general managers) from various PSBs on July 2 and 3 for the position of Executive Directors, sources close to the development said. The ten names that have been recommended (in the order of merit) for the Panel are Rajneesh Karnatak; Joydeep Dutta Roy; Nidhu Saxena, Kalyan Kumar; Ashwani Kumar; Ramjass Yadav, Asheesh Pandey, Ashok Chandra; A V Rama Rao and Shiv Bajrang Singh. This panel will be operated in the financial year 2021–22, subject to availability of vacancies in the panel year 2021–22, sources said.
<https://www.thehindubusinessline.com/money-and-banking/eds-in-public-sector-banks-banks-board-bureau-recommends-10-candidates-in-2021-22/article35125016.ece>
- **Supreme Court seeks response of Centre, RBI on plea of PNB against disclosure of info under RTI:** The Supreme Court has refused to grant interim stay on the RBI's notice asking Punjab National Bank to disclose information such as defaulters list and its inspection reports under the RTI Act, and sought responses from the Centre, federal bank and its central public information officer. The apex court tagged the plea of the Punjab National Bank (PNB), which is a public sector unit bank, with a similar pending case filed by HDFC Bank against the RBI's direction. "Issue notice. Tag with writ petition (Civil) No.1159 of 2019 (HDFC plea)," a bench comprising justices S Abdul Nazeer and Krishna Murari said, and fixed the plea for hearing on July 19.
<https://economictimes.indiatimes.com/news/india/sc-seeks-response-of-centre-rbi-on-plea-of-pnb-against-disclosure-of-info-under-rti/articleshow/84095525.cms>
- **Indian Overseas Bank becomes the second most-valued public lender:** Indian Overseas Bank (IOB) has become the second most-valued listed public sector bank (PSB) with a market capitalisation of over Rs 50,000 crore. As Street discounts privatisation of the state-owned lender, its shares have appreciated nearly 80 per cent on the BSE in the past one month. On a closing basis, the bank's market cap was Rs 51,887 crore at the end of trading on Friday, surpassing its peers Punjab National Bank (PNB) and Bank of Baroda (BOB). While IOB crossed BoB on Wednesday, it beat PNB in market value on Thursday, and expanded the lead the next day. At Friday's close, PNB was valued at Rs 46,356 crore and BoB at Rs 44,060 crore, which are now ranked third and fourth among PSBs, respectively. In the past one month, the market price of PNB has fallen 4 per cent while BOB is up 5 per cent, as against the Sensex's 1.2 per cent rise. The stock of IOB had hit an over four-year high of Rs 29 on June 30, its highest level since May 2017, following reports that IOB and Central Bank of India might be privatised in the first phase of the privatisation drive. According to media reports, the two lenders might see 51 per cent sale in the first phase of disinvestment.



**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

https://www.business-standard.com/article/markets/indian-overseas-bank-becomes-the-second-most-valued-public-lender-121070201397_1.html

- **LIC Housing Finance cuts interest rates to 6.66%:** LIC Housing Finance Ltd (LICHFL) has cut its home loan interest rate from 6.90 per cent to 6.66 per cent under a special limited period offer. This interest rate is applicable for home loans up to ₹50 lakh for salaried individuals. This is probably the lowest home loan interest currently being offered by any lender. The housing finance company, in a statement, said new borrowers whose loans are getting sanctioned till August 31, 2021 will be eligible for the special offer provided the first disbursement is availed on or before September 30, 2021. LICHFL said the rate of interest offered is linked to the borrower's creditworthiness, as reflected by their CIBIL scores. "At 6.66 per cent, LIC Housing Finance Ltd has offered its lowest ever rate of interest on housing loans with a maximum tenure of 30 years," the company said.
<https://www.thehindubusinessline.com/money-and-banking/lic-housing-finance-cuts-interest-rates-to-666/article35109535.ece>
- **Directive on unclaimed maturity proceeds of TDs:** The Reserve Bank of India (RBI) on Friday said unclaimed maturity proceeds of term deposits (TDs) with banks will attract the rate of interest as applicable to savings account or the contracted rate of interest on the matured TD, whichever is lower. This directive comes in the backdrop of Savings Bank (SB) rates (on deposits above ₹1 lakh) of some of the small finance banks being higher than the TD rates in the less than one-year and above five years maturity buckets. Hitherto, if a term deposit matures and proceeds are unpaid, the amount left unclaimed with the bank shall attract interest rate as applicable to savings deposits.
<https://www.thehindubusinessline.com/money-and-banking/directive-on-unclaimed-maturity-proceeds-of-tds/article35109147.ece>
- **Need for policy framework to assess climate risk on financial stability: RBI:** The climate change risk to financial stability is rising and there is a need for an appropriate policy framework to identify, assess and manage this risk, according to Reserve bank of India. In its financial stability report, RBI said that some central banks have started to prepare to monitor and manage climate risks. The Bank of England for instance has announced plans to undertake Biennial Scenario analysis in order to test the resilience of the financial system to the physical and transition risks associated with different climate pathways. Banque de France has also started taking into account the high-level scenarios given by the Central Banks and Supervisors Network for Greening the Financial System (NGFS). Launched at the Paris One Planet Summit on December 2017, the NGFS is a group of central banks and supervisors willing to share best practices and contribute to the development of environment and climate risk management in the financial sector, while mobilising mainstream finance to support the transition towards a sustainable economy. RBI joined NGFS as a member central bank in April 2021.
<https://www.livemint.com/industry/banking/need-for-policy-framework-to-assess-climate-risk-on-financial-stability-rbi-11625318487500.html>
- **Over 80 stocks in smallcap space rise 10-40% in a week:** In a volatile week, the benchmark Nifty touched a lifetime high of 15,915 but erased gains and closed below 15800 levels. Meanwhile, the broader market, especially the smallcaps, continued their good run. The S&P BSE Sensex and the



**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

Nifty50 closed 0.8 percent lower each for the week ended July 2, compared to a 0.2 percent fall seen in the S&P BSE Midcap index, and a 2.2 percent gain seen in the S&P BSE Smallcap index. Smallcap stocks bucked the trend as more than 80 stocks in the S&P BSE Smallcap index rose 10-40% in a week. These include names like ION Exchange, Route Mobile, Newgen Software, Power Mech Projects, Happiest Minds, Uttam Sugar Mills, Zee Media, and Sharda Motor Industries among others. "Given the current low-interest-rate scenario and ongoing bull market, investors are rushing towards avenues that can generate the most returns," Nirali Shah, Head of Equity Research, Samco Securities said. "Hence, one can see the increase in Demat accounts opened in the past year, the exuberance in IPO subscriptions, and the rush into mid and small caps," she added.

<https://www.moneycontrol.com/news/business/markets/over-80-stocks-in-smallcap-space-rise-10-40-in-a-week-7120511.html>

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.