



**THE INSTITUTE OF
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DAILY NEWS DIGEST BY BFSI BOARD, ICAI

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- **SBI loses market share in debit card spends in FY22:** State Bank of India (SBI) lost market share in debit card spends between March 2021 and March 2022, even as it managed to hold on to or improve its share in most other lines of business. The lender's annual report for FY22 showed that its share in debit card spends fell to 27.58% at the end of the year, from 29.23% at the end of March 2021. SBI grew its share in the network of point of sale (POS) terminals to over 15% from 13% in March 2021. In home loans, too, the bank gained share, accounting for 35.3% of all mortgages given by banks in India, up from 34.53% a year ago. SBI also gained some share in advances and deposits.
<https://www.financialexpress.com/industry/banking-finance/sbi-loses-market-share-in-debit-card-spends-in-fy22/2548042/#:~:text=lines%20of%20business,-,The%20lender's%20annual%20report%20for%20FY22%20showed%20that%20its%20share,from%2013%25%20in%20March%202021.>
- **Bank of Baroda to benefit from govt thrust on infrastructure spending:** Chairman Hasmukh Adhia : Bank of Baroda (BoB) is set to benefit from the government's thrust on increased infrastructure spending and other investments to revive the economy, its Chairman Hasmukh Adhia said. Addressing the state-run lender's shareholders in its latest annual report, he further said the bank has a positive outlook for 2022-23. "The Government of India has come up with many initiatives for increasing spending on infrastructure projects and other investments to revive the economy. The banking industry of course would be benefited due to increase in the demand for bank credit and Bank of Baroda would be a key beneficiary of these developments," he said.
<https://www.msn.com/en-in/money/news/bank-of-baroda-to-benefit-from-govt-thrust-on-infrastructure-spending-chairman-hasmukh-adhia/ar-AAY4OIZ>
- **Bank of Baroda to set up mid-corporate branches to tap opportunities:** Bank of Baroda (BoB) plans to set up mid-corporate branches across the country for quick processing of corporate proposals and tap the opportunities available in this segment. "Initiatives such as the Corporate Sales War room and Fee Booster Campaign simplified and speeded up processes within the Corporate Banking vertical, contributing significantly towards the 15 per cent year-on-year (YoY) growth in overall fee income this year (FY22). "Next, the spotlight will be on the growing mid-corporate segment, where the Bank plans to strengthen its operating model, branch network and credit decision making process," the public sector bank said in its annual report.
<https://www.thehindubusinessline.com/money-and-banking/bank-of-baroda-to-set-up-mid-corporate-branches-to-tap-opportunities/article65494329.ece>
- **Banks seeing private capex revival aided by infra and PLI projects:** Banks are seeing early signs of private capital expenditure growth fuelled by large infrastructure projects, the production-linked incentive (PLI) scheme and higher utilisation of working capital loans, an indicator of sustained revival. Banks say, unlike the past few years, loans to industry could even surpass retail loans. "I believe there are very visible green shoots, there is appetite for borrowing from corporates, the PLI projects are coming to the financing stage and since there was a hiatus of almost four years on the capex cycle there has to be some investments," said Samuel Joseph, deputy managing director, IDBI Bank. State Bank of India chairman Dinesh Khara in May said that the country's largest lender has visibility on ₹4.6 lakh



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crore of loans in the corporate segment. "We are hopeful that in the coming days, the environment would be conducive to corporate credit growth," he said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-seeing-private-capex-revival-aided-by-infra-and-pli-projects/articleshow/91995102.cms>

- **CPSEs to execute sale of units having Cabinet nod for privatisation; guidelines soon: DIPAM:** Strategic sale of units of CPSEs for which Cabinet approval is already in place will have to be executed by the respective state-owned companies in accordance with the guidelines to be laid down by DIPAM shortly, the finance ministry has said. However, those transactions for which Expression of Interest (EoI) have been issued will continue to be handled by the Department of Investment and Public Asset Management (DIPAM), it said. DIPAM, in an office memorandum dated June 1, said that the strategic sale proposal of any CPSE (Central Public Sector Enterprise) unit which has been approved by the Cabinet Committee on Economic Affairs (CCEA) or Alternative Mechanism (AM) will be taken forward by the state-owned company in accordance with the new guidelines.
<https://economictimes.indiatimes.com/news/economy/policy/cpses-to-execute-sale-of-units-having-cabinet-nod-for-privatisation-guidelines-soon-dipam/articleshow/92016340.cms>
- **Tokenisation: Industry better prepared but some glitches remain ahead of June 30 deadline:** With less than a month left to meet tokenisation norms for card transactions, banks and payment players seem to be better prepared than six months ago but glitches remain. At least a few card issuing banks, particularly public sector banks, are still working on the tokenisation infrastructure and may take time even as majority of the card acquiring banks are ready. So, card-based payments to at least some international merchants and small merchants could be impacted. Tokenisation refers to the process where the actual card data is replaced by a token. "The industry is far better prepared than it was six months ago in December. From an overall industry standpoint, Visa, Mastercard and NPCI are already ready with the card on file tokenisation.
<https://www.thehindubusinessline.com/money-and-banking/tokenisation-industry-better-prepared-but-some-glitches-remain-ahead-of-june-30-deadline/article65494067.ece>
- **General insurers urge IRDAI for mandatory KYC of customers:** Non-life insurers have requested the insurance regulator IRDAI to permit verifying the contact details of policyholders. This would enable them to get in touch with customers during an emergency and help them with sales. General insurers have pointed out that for any financial transaction such as mutual funds or bank account opening, KYC is needed. Some provisions should be made for general insurance products to allow them to get updated addresses and phone numbers. At present, sharing KYC details is a voluntary choice by the customer while purchasing a general insurance product. "The problem right now is that we do not have any details of the customers. We do not want PAN or Aadhaar or income details but the basic contact information should be available so as to allow us to get in touch with a policyholder in time of need," said a general insurer, adding that there is no way to connect with a policyholder at present.
<https://www.thehindubusinessline.com/money-and-banking/general-insurers-urge-irdai-for-mandatory-kyc-of-customers/article65496778.ece>
- **Crisil in talks with SEBI on rising cases of 'issuer non-cooperating':** Crisil is in talks with market regulator SEBI to address concerns arising out of the rising number of companies being rated as 'issuer non-cooperating'. "We are talking with the regulators on how to tackle this challenge and how can we help improve the entire ecosystem. Investors, banks and stakeholders have visibility on non-cooperation disclosed in the press releases and they also need to encourage issuers to cooperate with the rating agencies," Amish Mehta, Managing Director and CEO, Crisil told BusinessLine.



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<https://www.thehindubusinessline.com/money-and-banking/crisil-in-talks-with-sebi-on-rising-cases-of-issuer-non-cooperating/article65496985.ece>

- **This SFB hikes interest rates on fixed deposits: Now get up to 7.99%:** Suryoday Small Finance Bank (SFB), a DICGC-insured bank, has increased fixed deposit interest rates. The updated rates will take effect tomorrow, June 6, 2022, and the bank has raised interest rates on two-year deposits to less than three-year deposits of less than ₹2 Cr as a result of the modification. The interest rate on 3-year deposits has been increased by 49 basis points from 7.00 per cent to 7.49 per cent. The bank will pay a 7.00 per cent interest rate on deposits of 1000 days to 3 years, 6.50 per cent on deposits of 3 years to less than 5 years, 6.75 per cent on deposits of 5 years, and 6.00 per cent on deposits of more than 5 years to 10 years. The bank gives a maximum regular rate of 7.49 per cent on deposits of 999 days, and 7.99 per cent to elderly residents.
<https://www.livemint.com/industry/banking/this-sfb-hikes-interest-rates-on-fixed-deposits-now-get-up-to-799-11654434742155.html>
- **FPIs outflow continues for 8th straight month; pull out nearly Rs 40,000-cr from equities in May:** Continuing its heavy selling spree for the eighth consecutive month, foreign investors pulled out nearly Rs 40,000 crore from the Indian equity market in May on fears of an aggressive rate hike by US Federal Reserve that dented investor sentiments. With this, net outflow by foreign portfolio investors (FPIs) from equities reached at Rs 1.69 lakh crore so far in 2022, data with depositories showed. Going ahead, FPI flows will remain volatile in the emerging markets on account of rising geo-political risk, rising inflation, tightening of monetary policy by central banks, among others, Shrikant Chouhan, Head – Equity Research (Retail), Kotak Securities said. According to the data, foreign investors withdrew a net amount of Rs 39,993 crore from equities in May. This massive outflow is the major factor for the weakness in the Indian market.
https://www.business-standard.com/article/markets/fpis-outflow-continues-for-8th-straight-month-pull-out-nearly-rs-40-000-cr-122060500616_1.html
- **Four of top-10 firms add Rs 2.31 lakh crore in m-cap; Reliance lead gainer:** Four of the 10 most valued domestic firms together added a whopping Rs 2,31,320.37 crore in market valuation last week, with market heavyweight Reliance Industries contributing the most to the overall gains. Last week, the Sensex jumped 884.57 points or 1.61 per cent. While TCS, Infosys and ICICI Bank were the other gainers from the top-10 pack, HDFC Bank, HUL, LIC, SBI, HDFC and Bharti Airtel faced erosion from their market valuation. Their cumulative losses stood at Rs 68,140.72 crore. The valuation of Reliance Industries jumped Rs 1,38,222.46 crore to reach Rs 18,80,350.47 crore. The market capitalisation (m-cap) of Tata Consultancy Services (TCS) rallied by Rs 64,618.85 crore to Rs 12,58,274.59 crore and that of Infosys zoomed Rs 25,728.52 crore to Rs 6,40,373.02 crore. ICICI Bank added Rs 2,750.54 crore, taking its valuation to Rs 5,17,049.46 crore.
<https://www.moneycontrol.com/news/business/markets/four-of-top-10-firms-add-rs-2-31-lakh-crore-in-m-cap-reliance-lead-gainer-8642241.html>

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