



**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

December 9, 2021

- **RBI monetary policy: repo rate unchanged at 4 per cent** : As was widely expected, the six-member RBI monetary policy committee (MPC) left the policy repo rate unchanged at 4 per cent and continued with its accommodative stance in the backdrop of the possible threat to the economy from the Omicron variant of the Coronavirus. While the vote for leaving the policy repo rate unchanged was unanimous, the members voted 5-1 to maintain the accommodative stance.

<https://www.thehindubusinessline.com/money-and-banking/rbi-monetary-policy-keeps-repo-rate-unchanged-at-4-per-cent/article37892532.ece>

- **Bankers welcome RBI stance amid Omicron fears, measures on digital payments** : The RBI's accommodative stance and retaining the GDP growth estimate at 9.5 per cent despite the Omicron variant, along with regulatory measures on the digital payments side, were welcomed by the bankers on Wednesday. Reacting to the bi-monthly policy review, in which the rate-setting panel opted for a status quo on rates, industry lobby Indian Banks' Association's chairman and managing director and chief executive of the state-run UCO Bank, A K Goel, said the measures were as expected. "There is no change in the growth and inflation projections of the RBI for the current fiscal despite changes in the macroeconomic scenario. That is indeed a positive sign," he added.

[https://www.business-standard.com/article/economy-policy/bankers-welcome-rbi-stance-amid-omicron-fears-measures-on-digital-payments-121120801120\\_1.html](https://www.business-standard.com/article/economy-policy/bankers-welcome-rbi-stance-amid-omicron-fears-measures-on-digital-payments-121120801120_1.html)

- **Banks do not need RBI permission to invest, pull back overseas investments** : Indian commercial banks will no longer require the Reserve Bank of India's (RBI) nod to invest or withdraw funds from their overseas branches and subsidiaries. In the additional measures announced after the monetary policy review governor Shaktikanta Das said banks will no longer need regulatory clearance to invest or repatriate capital from their overseas subsidiaries. "At present, banks incorporated in India can infuse capital in their overseas branches and subsidiaries; retain profits in these centres; and repatriate/transfer profits therefrom with prior approval of the RBI. With a view to providing operational flexibility to banks, it has been decided that banks need not seek prior approval of the RBI if they meet the regulatory capital requirements," Das announced in his post policy statement.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-do-not-need-rbi-permission-to-invest-pull-back-overseas-investments/articleshow/88159522.cms>



**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's accommodative stance to pave way for 9.5 pc economic growth, say experts** : After deliberating for three days, the RBI Governor-headed Monetary Policy Committee announced the bi-monthly monetary policy. The RBI also announced it will continue rebalancing liquidity conditions and use VRRR (Variable Rate Reverse Repo) auction as the primary tool for liquidity management, shifting away from the fixed reserve repo rate. "The accommodative policy stance at this juncture would not only pave the way for a double digit GDP growth in the current year 2021-22, but will also help in creating a strong, sustainable and vibrant economy going forward," said Pradeep Multani, President of PHD Chamber of Commerce and Industry in his comments on the MPC decision.

<https://economictimes.indiatimes.com/news/economy/policy/rbis-accommodative-stance-to-pave-way-for-9-5-pc-economic-growth-say-experts/articleshow/88170407.cms>

- **Reserve Bank to float paper on digital payment charges** ; The Reserve Bank of India (RBI) has proposed issuing a discussion paper on all aspects of digital payment charges, including the ones incurred while using credit cards, debit cards, prepaid payment instruments, Unified Payment Interface (UPI), among others.

<https://www.financialexpress.com/industry/banking-finance/reserve-bank-to-float-paper-on-digital-payment-charges/2384885/>

- **Reliance Capital asks creditors to submit claims** : Reliance Capital on Wednesday asked the creditors of the company to submit their claims with proof by December 20 following initiation of corporate insolvency process against the firm. In an order dated December 6, 2021 of the National Company Law Tribunal, Mumbai (NCLT), corporate insolvency resolution process has been initiated against Reliance Capital as per the provisions of the Insolvency and Bankruptcy Code (IBC), 2016. In this connection, the company made a public announcement on creditors' claims.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/reliance-capital-asks-creditors-to-submit-claims/articleshow/88172531.cms>



**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 hikes VRRR limit as its moves away from overnight auctions** : Reserve Bank of India (RBI) has hiked the amount it absorbs from banks through the 14-day variable reverse repo (VRRR) auction as it moves to re-establish the VRRR as the main tool in liquidity management. In a post monetary policy announcement, governor Shaktikanta Das said the central bank will hike the amount it absorbs through VRRR in two auctions to Rs 6.5 lakh crore on December 17 and further to Rs 7.5 lakh crore on December 31, up from the Rs 6 lakh crore, it took from banks on December 3.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-hikes-vrrr-limit-as-its-moves-away-from-overnight-auctions/articleshow/88164390.cms>

- **Bank unions to go ahead with strike on Dec 16-17** : Bank unions are going ahead with the two-day strike called earlier for December 16-17 to oppose the government's proposed Bill for privatisation of two public sector banks slated to be introduced in the ongoing winter session.

<https://www.thehindubusinessline.com/money-and-banking/bank-unions-to-go-ahead-with-strike-on-dec-16-17/article37894652.ece>

- **Banks can prepay TLTRO funds: RBI** : The Reserve Bank of India (RBI) will provide banks one more option to prepay the outstanding amount of funds availed under the Targeted Long-Term Repo Operations (TLTRO 1.0 and 2.0). Liquidity availed under the scheme by banks under TLTRO 1.0 (announced on March 27, 2020) had to be deployed in investment grade corporate bonds, commercial paper, and non-convertible debentures over and above the outstanding level of their investments in these bonds as on March 27, 2020.

<https://www.thehindubusinessline.com/money-and-banking/banks-can-prepay-tltro-funds-rbi/article37902270.ece>



**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's new measures: UPI payment product for feature phones** : With a view to deepening financial inclusion and promoting the use of the Unified Payments Interface (UPI), Reserve Bank of India Governor Shaktikanta Das, on Wednesday, announced three new measures, including the launch a UPI-based payment product for feature phone users. "It is proposed to launch UPI-based payment products for feature phone users, leveraging on innovative products from the RBI's Regulatory Sandbox on Retail Payments," said Das in the Monetary Policy Statement, noting that UPI is the single-largest retail payment system in the country in terms of volume of transactions. "In the first cohort of RBI Regulatory Sandbox, some innovators had successfully demonstrated their solutions for feature phone payments under the theme of 'retail payments'. These products, coupled with other complimentary solutions, will facilitate UPI-based digital payment solutions on feature phones to promote wider digitisation," said the Statement on Developmental and Regulatory Activities.

<https://www.thehindubusinessline.com/money-and-banking/soon-upi-payment-through-feature-phones/article37893163.ece>

- **AP banks cross 60% of annual loan plan for FY22** : Public Sector Banks in Andhra Pradesh have reached 60 per cent of the target for loan disbursements in the first half of the current financial year. Data released by the State Level Bankers Committee (SLBC) in its meeting held in Amaravati shows that banks disbursed 60.53 per cent of the annual loan plan of ₹2,83,380 crore. Over ₹1.71-lakh crore has been disbursed as of September 30.

<https://www.thehindubusinessline.com/money-and-banking/ap-banks-cross-60-of-annual-loan-plan-for-fy22/article37899236.ece>

- **RBI to work on PMC Bank resolution 'very quickly', says Governor Shaktikanta Das** : The Reserve Bank of India will act "very quickly" on the Punjab and Maharashtra Cooperative Bank resolution once it receives the feedback on the draft amalgamation scheme with Unity Small Finance Bank, governor Shaktikanta Das said on December 8. The RBI has given the stakeholders time till December 10 for comments on the amalgamation proposal. After examining the feedback, the draft would be sent to the government for the final approval, Das told media as he shared the outcome of the monetary policy committee meeting.

<https://www.moneycontrol.com/news/business/rbi-to-work-on-pmc-bank-resolution-very-quickly-says-governor-shaktikanta-das-7803331.html>



**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

- **Cyber security, digital frauds major challenges in rolling out digital currency, says RBI deputy governor** : Reserve Bank of India (RBI) Deputy Governor T Rabi Sankar has identified cyber security and digital frauds as the two major challenges in rolling out a central bank digital currency (CBDC). CBDC is the digital form of fiat money and is not the same as private cryptocurrencies. It is a legal tender issued by a central bank in a digital form and is exchangeable one-to-one with the fiat currency. The only difference between the two is the form. The RBI was working to launch CBDC, Sankar said during a post-policy press conference on December 8. CBDC would have both wholesale and retail parts to it, the deputy governor.

<https://www.moneycontrol.com/news/business/cyber-security-digital-frauds-major-challenges-in-rolling-out-digital-currency-says-rbi-deputy-governor-7803511.html>

- **Non-life insurance companies' gross direct premium up 5.5% at Rs 15,743 crore in November** : The gross direct premium written by non-life insurance companies rose by 5.5 per cent to Rs 15,743.22 crore in November, data from Irdai showed on Wednesday. The 31 non-life insurance companies had written premiums worth Rs 14,919.43 crore in November 2020. Of these, the 24 general insurance companies witnessed a 4.2 per cent increase in their gross direct premium during the month at Rs 13,566.39 crore, Insurance Regulatory and Development Authority of India (Irdai) said.

[https://www.business-standard.com/article/finance/non-life-insurers-gross-direct-premium-up-5-5-to-rs-15-743-cr-in-nov-121120801479\\_1.html](https://www.business-standard.com/article/finance/non-life-insurers-gross-direct-premium-up-5-5-to-rs-15-743-cr-in-nov-121120801479_1.html)

- **Indian rupee slips 5 paise against US dollar in early trade** : The rupee declined 5 paise to 75.49 against the US dollar in opening trade on Wednesday as persistent foreign fund outflows kept the pressure on the local unit. However, a rally in the domestic equities and sliding crude prices in the international market restricted the rupee's fall, according to forex traders.

<https://www.moneycontrol.com/news/business/markets/indian-rupee-slips-5-paise-against-us-dollar-in-early-trade-7802941.html>



**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

- **Gold-loan demand surges, banks compete fiercely with NBFCs** : Competition is heating up among non-banking financial companies (NBFCs) and commercial banks for distribution of gold loan as demand surges after a lull induced by the second wave of Covid-19 this year. Over the years, NBFCs have cornered the major share of the gold loan business; banks have lagged behind although the latter charge lower interest. But as more people are increasingly finding gold loans an easily accessible and reliable form of short-term credit, banks have started aggressively pursuing it. From an average of 18%, NBFCs reduced interest rates to about 14-15%. On the other hand, the banks were wooing customers with interest rates ranging from 6.5% to 13%.

<https://www.moneycontrol.com/news/business/gold-loan-demand-surges-banks-compete-fiercely-with-nbfc-7804651.html>

- **Sensex jumps over 1,000 points at closing, Nifty tops 17,400** : The BSE Sensex closed at 58,649.68, up 1016.03 points or 1.76 per cent. It recorded an intraday high of 58,702.65 and a low of 58,122.27. The Nifty 50 closed at 17,469.75, up 293.05 points or 1.71 per cent, near the day's high of 17,484.60. It recorded an intraday low of 17,308.95.

<https://www.thehindubusinessline.com/markets/stock-markets/sensex-jumps-over-1000-points-at-closing-nifty-tops-17400/article37895727.ece>

- **Gold rates today struggle to move higher, down ₹8,000 from record highs** : Gold rates in India today struggled to move higher amid flat global cues. On MCX, gold futures were up 0.14% to ₹48,126 per 10 gram while silver edged 0.07% lower at ₹61,785 per kg. In global markets, gold inched higher despite a risk-on rally in equity markets. A dip in US bond yields from their recent highs supported the precious metal, reducing the opportunity cost.

<https://www.livemint.com/market/commodities/gold-rates-today-struggle-to-move-higher-down-rs-8-000-from-record-highs-11638934737889.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.