



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

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- **SBI disburses a record Rs 1.12 lakh crore home loans in FY22, crosses pre-Covid levels:** State Bank of India (SBI) has disbursed a record Rs 1.12 lakh crore of loans to individual home buyers until January end in FY22 as demand for housing in the hinterland surged, helping it leapfrog specialist lenders in the mortgage business. This is a 20% growth over the corresponding period in FY21. Home loan disbursements have now surpassed pre-Covid levels, two industry sources told ET, underscoring the appetite for new homes among end users. A spokesperson at SBI confirmed the development, saying the growth was geographically broad-based.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/sbi-disburses-a-record-rs-1-12-lakh-crore-in-fy22-crossed-pre-covid-levels/articleshow/89461141.cms>
- **Union Bank of India looks to move to a new tax regime in FY23:** Union Bank of India is looking to move to a new tax regime in the next financial year. It will use Rs 12,000 crore — available in the deferred tax asset (DTA) pool — to set off any tax obligations. The public sector lender plans to raise capital via Rs 1,000 crore in additional tier 1 bonds (AT1 bonds) based on market conditions. Rajkiran Rai G, managing director (MD) & chief executive officer (CEO), Union Bank, said the net profit is increasing as DTA is coming down every quarter. The MD & CEO said, “This time we have more cushion, so we have reversed Rs 1,500 crore of DTA in October-December 2022.” This will help improve net worth and capital adequacy. The bank may make some more reversal of DTA in March, based on the cushion available for the transaction.
[https://www.business-standard.com/article/economy-policy/union-bank-of-india-looks-to-move-to-a-new-tax-regime-in-fy23-122021000053_1.html#:~:text=It%20will%20use%20Rs%2012%2C000,bonds\)%20based%20on%20m,arket%20conditions.](https://www.business-standard.com/article/economy-policy/union-bank-of-india-looks-to-move-to-a-new-tax-regime-in-fy23-122021000053_1.html#:~:text=It%20will%20use%20Rs%2012%2C000,bonds)%20based%20on%20m,arket%20conditions.)
- **New DFS Secretary Sanjay Malhotra assumes charge:** Sanjay Malhotra, who was recently appointed as DFS Secretary, on Thursday assumed charge of his new role. He assumed charge on Thursday evening at Department Financial Services (DFS) office in capital, official sources said.
<https://www.thehindubusinessline.com/economy/policy/new-dfs-secretary-sanjay-malhotra-assumes-charge/article65000772.ece>
- **RBI projects 7.8% GDP growth for 2022-23:** The Reserve Bank of India has pegged the economic growth rate for 2022-23 at 7.8 per cent, down from 9.2 per cent expected in 2021-22, in view of uncertainties on account of the pandemic and elevated global commodity prices, RBI governor Shaktikanta Das said on Thursday.
<https://economictimes.indiatimes.com/news/economy/indicators/rbi-projects-7-8-gdp-growth-for-2022-23/articleshow/89472081.cms>



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- **RBI measures for MSMEs, contact-intensive sectors augur well for economy, say financial experts:** A status quo in repo rate underlines RBI's priority in supporting GDP growth amid the lingering impact of the pandemic, while additional measures for MSMEs, contact-intensive sectors and digital transactions augurs well for the overall economic health, financial market participants said on Thursday. For the 10th time in a row, the six-member rate setting Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) kept the key repo rate unchanged at 4 per cent, mainly to support growth as well as to manage inflationary pressure. The MPC decided, with a 5 to 1 majority, to continue the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy.
<https://economictimes.indiatimes.com/small-biz/sme-sector/rbi-measures-for-msmes-contact-intensive-sectors-augur-well-for-economy-say-financial-experts/articleshow/89486203.cms?from=mdr>
- **RBI takes stock of preparedness for card tokenisation:** More than a month after extending the deadline to meet the card-on-file (tokenisation) rules, Reserve Bank of India last week held a meeting with top merchants and payment aggregators to gauge their preparedness, two people aware of the development told ET. The central bank, which took industry feedback on the readiness of banks and card network operators to meet the new deadline, is now expected to hold another meeting with the latter. Sources indicated that card network operators and banks are yet to share their APIs (application programming interface) for tokenisation integration, an issue the regulator is expected to take up with them.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-takes-stock-of-preparedness-for-card-tokenisation/articleshow/89462075.cms>
- **RBI warns of spillover effects on banks and NBFCs in its policy review:** Banks and non-banking financial companies have to be watchful and improve their risk management measures as the unwinding of easy policies could have spillover effects, the Reserve Bank of India Governor Shaktikanta Das said on Thursday. "We have to be, however, watchful of the impact of the pandemic on the banking and NBFC sectors when the effects of regulatory reliefs and resolutions fully work their way through," Das said in the bi-monthly monetary policy statement.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-takes-stock-of-preparedness-for-card-tokenisation/articleshow/89462075.cms>
- **RBI Governor exhorts banks to continue process of capital argumentation:** Reserve Bank Governor Shaktikanta Das on Thursday urged banks and NBFCs to continue the process of augmentation of capital and building up of appropriate buffers to meet future uncertainties. Unveiling the bi-monthly policy, Das said RBI has been watchful of the impact of the pandemic on the banking and NBFC sectors when the effects of regulatory reliefs and resolutions fully work their way through. The Reserve Bank has accorded the highest priority to preserving financial stability by taking quick and decisive steps to ease liquidity constraints, restore market confidence and prevent contagion to other segments of the financial market, he said.



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https://www.business-standard.com/article/finance/rbi-governor-exhorts-banks-to-continue-process-of-capital-argumentation-122021001222_1.html#:~:text=Reserve%20Bank%20Governor%20Shaktikanta%20Das,buffers%20to%20meet%20future%20uncertainties.

- **Bank credit grows by 8.21 per cent, deposits by 8.31 per cent:** Bank credit grew by 8.21 per cent to Rs 115.82 lakh crore and deposits by 8.31 per cent to Rs 160.33 lakh crore in the fortnight ended January 28, RBI data showed. In the fortnight ended January 29, 2021, bank advances stood at Rs 107.04 lakh crore and deposits at Rs 148.02 lakh crore, according to the RBI's Scheduled Banks' Statement of Position in India as on January 28, released on Thursday. In the previous fortnight ended January 14, bank credit had risen by 8.01 per cent and deposits by 9.28 per cent. In FY2020-21, bank credit had risen by 5.56 per cent and deposits by 11.4 per cent.
<https://www.businesstoday.in/industry/banks/story/bank-credit-grows-by-821-deposits-rise-831-rbi-data-322223-2022-02-11>
- **Paytm has highest penetration in digital payments: report:** Paytm, which got listed in bourses in November last year, continues to lead digital payments with over 45 per cent penetration in Fintech, reveals a Comscore report. Paytm is closely followed by Google Pay (mobile App) at 43 per cent penetration (reach as percentage of total digital population), the report showed. The Comscore report revealed that financial services was among the top online content categories, accounting for 80 per cent of the total internet audience in the country.
<https://www.thehindubusinessline.com/money-and-banking/paytm-has-highest-penetration-in-digital-payments-report/article65000308.ece>
- **Status quo on rates will support growth, say bankers:** The Reserve Bank of India's decision to maintain the status quo rates will help boost growth prospects, said bankers. "The RBI has once again focussed on giving a push for growth in this policy. Over all aim of 'continuation of accommodative stance as long as necessary to revive and sustain growth on a durable basis' was on the expected line, as several segments of the economy are still in the nascent stage of recovery," said AK Goel, Chairman, Indian Banks' Association.
<https://www.thehindubusinessline.com/money-and-banking/status-quo-on-rates-will-support-growth-say-bankers/article65000511.ece>
- **RBI enhances cap on amount for e-RUPI vouchers from Rs 10,000 to Rs 1 lakh:** The Reserve Bank of India (RBI) on Thursday proposed to increase the cap on the amount for e-RUPI vouchers from Rs 10,000 currently to Rs 1,00,000 so as to enhance the scope of application of these vouchers and facilitate faster delivery of various government services to beneficiaries efficiently. Further, it said, the e-RUPI vouchers can be used multiple times, until the amount on the voucher is completely redeemed. Currently, each voucher can be redeemed only once. The RBI will issue necessary instructions in this regard to the National Payments Corporation of India (NPCI).
https://www.business-standard.com/article/finance/rbi-enhances-cap-on-amount-for-e-rupi-vouchers-from-rs-10-000-to-rs-1-lakh-122021000521_1.html



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- **RBI releases master directions for credit derivative transactions:** The Reserve Bank on Thursday came out with its master directions for credit derivative transactions, a year after it released the draft guidelines. The directions issued on Thursday will apply to credit derivatives transactions undertaken in Over-the-Counter (OTC) markets and on recognised stock exchanges in India, and will be effective from May 9. Residents and non-residents who are eligible to invest in corporate bonds and debentures under the Foreign Exchange Management (Debt Instruments) Regulations 2019 will be eligible to participate in the credit derivatives market, it said.
https://www.business-standard.com/article/finance/rbi-releases-master-directions-for-credit-derivative-transactions-122021001758_1.html#:~:text=The%20Reserve%20Bank%20on%20Thursday,it%20released%20the%20draft%20guidelines.
- **Up to ₹1,200 penalty for ICICI Bank credit card users from today; ₹500 for cheque return:** ICICI Bank has revised charges for credit cards effective from February 10. Now, for all cash advances, the bank will charge a transaction fee on all cards of 2.50%, subject to a minimum of ₹500. The bank also revised late payment charges for all its credit cards except ICICI Bank Emerald Credit Card. Late payment charges vary with the total amount due. If your total amount due is less than ₹100, then the bank will not charge you. While for higher amounts the charges keep increasing with an increase in due amount. The highest amount that the bank will charge is ₹1200 for an outstanding amount of ₹50,000 or more.
<https://www.livemint.com/industry/banking/up-to-rs-1-200-penalty-for-icici-bank-credit-card-users-from-today-rs-500-for-cheque-return-11644464043461.html>
- **Chinese banks issued record amount of new loans in January:** Chinese banks issued a record amount of new loans in January, revving up support for a slowing economy that has been battered by a property slump and recurrent coronavirus outbreaks. New yuan loans issued by Chinese banks stood at 3.98 trillion yuan (\$626 billion) in January, up significantly from the CNY1.13 trillion extended in December, according to data released Thursday by the People's Bank of China. Economists polled earlier by The Wall Street Journal had anticipated new loans to be at CNY3.8 trillion. Chinese banks typically extend a higher amount of loans at the start of the year after they get new loan quotas.
<https://www.livemint.com/industry/banking/chinese-banks-issued-record-amount-of-new-loans-in-january-11644504066259.html>
- **Covid stress: Banks see 4-5% slippages in restructured portfolios:** Banks have begun to see slippages in accounts that were restructured under the resolution frameworks issued by the Reserve Bank of India (RBI) for alleviation of Covid-related stress. Bankers say anywhere between 4% and 5% of such accounts have slipped into the non-performing asset (NPA) bucket. Concerns persist around not just small-ticket retail and micro, small and medium enterprise (MSME) accounts, but also a chunky Rs 6,577-crore exposure to Future Retail.
<https://www.financialexpress.com/industry/banking-finance/covid-stress-banks-see-4-5-slippages-in-restructured-portfolios/2429862/>



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- Pankaj Chaudhary, Minister of State in Ministry of Finance in a written reply has stated that coins of ₹ 10 of various sizes, themes, and designs, minted under authority of the Government of India and circulated by the RBI, are legal tender and can be used as legal tender in all transactions.
<https://www.livemint.com/industry/banking/rs-10-coins-not-accepted-in-many-parts-of-country-minister-shares-an-update-in-rajya-sabha-11644472259977.html>
- The Supreme Court today said that it is affording a final opportunity to Vijay Mallya to present his arguments before the court in the contempt of court case against him. Mallya is convicted of contempt of court and the issue before the Supreme Court now remains to be the quantum of punishment to be awarded to him.
<https://www.moneycontrol.com/news/trends/legal-trends/supreme-court-gives-vijay-mallya-last-chance-to-present-arguments-in-contempt-case-8072991.html>
- **Sensex up 460 points at closing, Nifty above 17,600:** The BSE Sensex which had surpassed the 59,000-mark during the day with an intraday high of 59,060.24, closed at 58,926.03, up 460.06 points or 0.79 per cent. It recorded an intraday low of 58,332.28. The Nifty 50 closed at 17,605.85, up 142.05 points or 0.81 per cent. It recorded an intraday high of 17,639.45 and a low of 17,427.15. ONGC, Tata Steel, Infosys, SBI Life and HDFC Bank were the top gainers on the Nifty 50 while Maruti, IOC, Shree Cement, Ultratech Cement and Adani Ports were the top losers.
<https://www.thehindubusinessline.com/markets/sensex-up-460-points-at-closing-nifty-above-17600/article64999947.ece>
- **Indian rupee slips 21 paise to 75.05 against US dollar in early trade:** The rupee declined 21 paise to 75.02 against the US dollar in opening trade on Thursday after the Reserve Bank of India kept benchmark lending rate unchanged and said it will continue with the accommodative stance. RBI kept benchmark lending rate unchanged for the 10th time in a row at 4 per cent. The Monetary Policy Committee decided to keep reverse repo rate unchanged at 3.35 per cent. At the interbank foreign exchange, the rupee opened flat at 74.90 against the US dollar, then slipped further to 75.05, registering a decline of 21 paise from the last close.
<https://www.moneycontrol.com/news/business/markets/indian-rupee-slips-21-paise-to-75-05-against-us-dollar-in-early-trade-8070361.html>

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