



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)  
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## DAILY NEWS DIGEST BY BFSI BOARD, ICAI

June 16, 2022

- **SBI raises lending rates, HDFC Bank and BoB increase deposit rates:** A week after the Reserve Bank of India's (RBI's) six-member monetary policy committee (MPC) increased the repo rate – the rate at which it lends to commercial banks – by 50 basis points (bps), State Bank of India (SBI), the country's largest lender, on Wednesday increased its marginal cost of funds-based lending rate (MCLR) by 20 basis points across all tenors, with immediate effect. The country's largest private-sector lender, HDFC Bank, and public-sector lender Bank of Baroda increased the rates on their fixed deposits of under Rs 2 crore – by up to 25 bps and 40 bps, respectively – with effect from Wednesday. SBI's overnight, one-month and three-month MCLR now stands revised to 7.05 per cent from 6.85 per cent earlier, according to its website. Similarly, the six-month MCLR stands revised to 7.35 per cent, one-year to 7.40 per cent, two-year to 7.60 per cent, and three-year to 7.70 per cent. The lender has also raised its external benchmark-based and repo-linked lending rates by 50 bps.  
[https://www.business-standard.com/article/finance/sbi-raises-lending-rates-hdfc-bank-and-bob-increase-deposit-rates-122061501085\\_1.html](https://www.business-standard.com/article/finance/sbi-raises-lending-rates-hdfc-bank-and-bob-increase-deposit-rates-122061501085_1.html)
- **SBI ups external benchmark rate for loans by 50 bps:** State Bank of India (SBI) has hiked key lending rate benchmarks, including the external benchmark rate (EBR) and the marginal cost of funds based lending (MCLR), making all loans – retail, MSME and corporate – dearer. The external benchmark rate has been upped by 50 basis points from 7.05 per cent to 7.55 per cent with effect from June 15. So, home loan interest rates and MSME loans, which are referenced to this benchmark, will go up to that extent. Depending on the borrower's credit score, the interest rates for regular floating rate home loans now start at 7.55 per cent and go up to 8.05 per cent.  
<https://www.thehindubusinessline.com/money-and-banking/sbi-ups-external-benchmark-rate-for-loans-by-50-bps/article65530591.ece>
- **Govt looks for new Nabard chairman:** The government is looking to hire a new chairman of National Bank for Agriculture and Rural Development (Nabard) to replace GR Chintala, who will be demitting office on August 1. Chintala was appointed as the Nabard Chairman in May 2020. Even those working in private sector banks and financial institutions and organisations in agriculture, cooperative and rural development sectors, with relevant experience will be eligible for the appointment. As per the circular issued by the department of financial services, the candidate should also possess an advanced university degree preferably in subjects, like economics, finance and business administration.  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/govt-looks-for-new-nabard-chairman/articleshow/92228371.cms>
- **Fitch revises rating outlook on 9 banks:** Fitch Ratings on Wednesday revised the rating outlook to stable from negative for nine India-based banks, including SBI, ICICI Bank and Axis Bank. The other lenders are Bank of Baroda (BOB), Bank of Baroda (New Zealand) Ltd, Bank of India, Canara Bank, Punjab National Bank (PNB) and Union Bank of India. "Fitch Ratings has revised the Outlook to Stable from Negative on the Long-Term Issuer Default Ratings (IDR) of 9 India-based banks, while affirming their IDRs," Fitch said in a statement.  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/fitch-revises-rating-outlook-on-9-banks/articleshow/92231386.cms>



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- **Direct tax collections so far this fiscal rise 53.2% to Rs 2.58 lakh crore:** The net direct tax collections, which include income tax and corporate tax, reached Rs 2.58 lakh crore as of June 14 in financial year 2022-23 against Rs 1.86 lakh crore YoY, according to a CNBC-TV18 report, reigniting hopes of sustained economic recovery, despite inflationary concerns and the disruption caused by geopolitical tensions. The net direct tax collection has increased by around 53.2 percent from April 1 to June 14 over the year-ago period. The advance collection of corporate tax and personal income tax in the first quarter witnessed a healthy growth over last year, initial trends indicated. The government expects the advanced tax collection in the first quarter to grow around 50 to 60 percent over last year.  
<https://www.moneycontrol.com/news/business/direct-tax-collections-so-far-this-fiscal-rise-53-2-to-rs-2-58-lakh-crore-report-8690591.html>
- **National Pension System: PFRDA allows subscribers to change investment choices four times a year:** A National Pension System (NPS) subscriber can now change asset allocation four times in a financial year. This will enable savvy subscribers — who had opted for active choice asset allocation — to take advantage of market movements. Four changes each will be allowed for both Tier-I and Tier II accounts. Prior to this change, the Pension Fund Regulatory and Development Authority (PFRDA) had allowed subscribers, who had opted for active asset allocation, to change their asset allocation only two times in a year.  
[https://www.thehindubusinessline.com/money-and-banking/national-pension-system-pfrda-allows-subscribers-to-change-investment-choices-four-times-a-year/article65530337.ece#:~:text=A%20National%20Pension%20System%20\(NPS,I%20and%20Tier%20II%20accounts](https://www.thehindubusinessline.com/money-and-banking/national-pension-system-pfrda-allows-subscribers-to-change-investment-choices-four-times-a-year/article65530337.ece#:~:text=A%20National%20Pension%20System%20(NPS,I%20and%20Tier%20II%20accounts)
- **Tamil Nadu pips West Bengal to become the largest State in terms of outstanding microfinance loan portfolio:** Tamil Nadu has displaced West Bengal to emerge as the largest State in terms of the outstanding portfolio of microfinance loans. According to MFIN Micrometer Q4 FY21-22, a quarterly report published by Microfinance Institutions Network (MFIN), the gross loan portfolio (GLP) of Tamil Nadu as of March 31, 2022 stood at ₹36,806 crore. It was followed by Bihar (₹35,941 crore) and West Bengal (₹34,016 crore). At the end of Q3FY22, West Bengal topped the chart with the highest outstanding portfolio of loans at ₹32,880 crore, followed by Tamil Nadu (₹32,359 crore).  
<https://www.thehindubusinessline.com/money-and-banking/tamil-nadu-pips-west-bengal-to-become-the-largest-state-in-terms-of-outstanding-microfinance-loan-portfolio/article65529419.ece#:~:text=At%20the%20end%20of%20Q3FY22,total%20GLP%20of%20the%20industry>
- **Microfinance industry sees 27% growth in disbursals in Q4:** The microfinance industry, which witnessed nearly 27 per cent growth in disbursals and a marked improvement in collection efficiency during the fourth quarter of financial year FY22, is poised to register a good growth this fiscal. According to Alok Misra, CEO & Director, MFIN (Microfinance Institutions Network), the announcement of harmonised regulations for microfinance, near normalisation of collection efficiency, and the recent verdict of Supreme Court stating that NBFC regulation is the sole purview of the Reserve Bank of India, are likely to augur well for the industry's growth during the current fiscal.  
<https://www.thehindubusinessline.com/money-and-banking/microfinance-industry-sees-27-growth-in-disbursals-in-q4/article65529741.ece>
- **Fintech start-up DPDzero raises ₹3.9 crore from Better Capital:** DPDzero, a fintech start-up has announced raising ₹3.9 crore in a pre-seed funding led by Better Capital. The start-up is building a fintech borrower data platform that automates end-to-end operations for all lenders Angel investors including Kunal Shah (Founder -



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CRED), Ramanathan RV (Co-Founder, Hyperface), Nishchay AG (Co-Founder & CEO at Jar), Vijay Rajagopalan (Head of Sales & Business Development, Amazon Pay (Offline), Ahishek Kothari (Co-founder, FlexiLoans.com) and untitled ventures also participated in the round.

<https://www.thehindubusinessline.com/money-and-banking/fintech-start-up-dpdzero-raises-39-crore-from-better-capital/article65529767.ece>

- **Vivek Kudva to retire from Franklin Templeton:** Vivek Kudva, Head of APAC of Franklin Templeton, will retire on July 28 after 16 years at the firm. A Franklin Templeton spokesperson said when Kudva turned 60 in July 2019, the firm made the decision to extend his employment for three more years, through July 28, 2022, and he is now retiring, pursuant to that plan. Franklin Templeton has appointed Matthew (Matt) Harrison and Tariq Ahmad as Co-Heads of APAC (Asia Pacific) to take over the responsibility of Kudva from August 1.  
<https://www.thehindubusinessline.com/money-and-banking/vivek-kudva-to-retire-from-franklin-templeton/article65529276.ece>
- **CCI approves BC Asia Investments' acquisition in IIFL Wealth Management:** Competition Commission of India on Tuesday approved the acquisition of the stake in IIFL Wealth Management (IIFLWM) by BC Asia Investments X Ltd. The proposed combination involves the acquisition of up to 24.98 per cent shareholding of IIFLWM by BC Asia Investments X Limited, a notice issued by the anti-trust regulator said.  
[https://www.business-standard.com/article/finance/cci-approves-bc-asia-investments-acquisition-in-iifl-wealth-management-122061401199\\_1.html](https://www.business-standard.com/article/finance/cci-approves-bc-asia-investments-acquisition-in-iifl-wealth-management-122061401199_1.html)
- **Paytm stock rises on 471% surge in April-May loan disbursements:** Shares of One 97 Communications, which operates Paytm, rose on June 15 after the fintech major reported strong operating performance for two months ended in May. Paytm said its lending business continued its strong performance from the previous quarter as loan disbursements jumped 471 percent on-year in April-May to 5.5 million. The disbursement in value terms stood at Rs 3,576 crore in the first two months of this quarter, representing a growth of 829 percent over last year. "We are also seeing increases in the average ticket size due to a scale-up of the personal loans business in particular," Paytm said.  
<https://www.moneycontrol.com/news/business/markets/paytm-stock-rises-on-471-surge-in-april-may-loan-disbursements-8688351.html>
- **Sensex falls 153 points in early trade; Nifty slips below 15,700:** Equity benchmark indices remained on the backfoot for the fourth straight day on Wednesday, with the Sensex falling 153 points in early trade amid mixed global cues and unabated foreign capital outflows. The BSE benchmark was trading 153.25 points lower at 52,540.32 in early trade. The Nifty declined by 39.55 points to 15,692.55. From the Sensex pack, Hindustan Unilever, Reliance Industries, Bharti Airtel, HDFC and Nestle were the major laggards. On the other hand, Bajaj Finserv, M&M, Tata Steel and Bajaj Finance were among the gainers.  
<https://www.thehindu.com/business/markets/sensex-falls-153-points-in-early-trade-nifty-slips-below-15700/article65529121.ece>
- **Rupee slips 13 paise to close at all-time low of 78.17:** The rupee shed 13 paise to close at a fresh all-time low of 78.17 (provisional) against the US dollar on Wednesday, as a lacklustre trend in domestic equities and persistent foreign fund outflows weighed on investor sentiments. At the interbank foreign exchange market, the local currency opened at 77.99 and finally settled at its all-time low of 78.17, down 13 paise over its previous close of 78.04.  
<https://www.thehindubusinessline.com/markets/forex/rupee-slips-13-paise-to-close-at-all-time-low-of-7817/article65530021.ece#:~:text=The%20rupee%20shed%2013%20paise,outflows%20weighed%20on%20investor%20sentiments.>



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