



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

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- Lakhs of employees of public sector banks continued their strike on the second day today as well to protest against proposed privatisation of banks by the Govt impacting normal operation across the country. Shutters of branches across the country today were down following the strike call given by the UFBU, an umbrella body of nine bank unions. As a result, services such as deposits and withdrawal at branches, cheque clearance and loan approvals remains paralysed due to the two-day strike ending later in the day.
<https://www.theweek.in/news/biz-tech/2021/12/17/bank-strike-continues-for-second-day--services-across-country-hi.html>
- The Central Board of RBI today discussed various aspects related to Central Bank Digital Currency and private cryptocurrencies. The Government has proposed to bring in legislation on cryptocurrencies. It has listed Cryptocurrency and Regulation of Official Digital Currency Bill, 2021, for consideration in the ongoing Winter Session of Parliament. However, sources said that it may not be taken up during the session scheduled to end next week.
<https://www.businesstoday.in/crypto/story/rbi-board-discusses-private-cryptocurrencies-central-bank-digital-currency-316003-2021-12-17>
- The RBI has turned down the request of NBFCs to relax asset classification and provisioning norms. This will give rise to bad debt numbers of such para banks on technical grounds while making asset quality norms standardised across banks and NBFCs. The para banks are now rapidly filling in the positions left vacant by the risk-averse banks, and their asset book is close to 20% of banks' total credit. The NBFC lobby group Finance Industry Development Council (FIDC) had approached the RBI to offer relaxation in the NPA norms, but the RBI has declined to do so, sources say.
https://www.business-standard.com/article/finance/rbi-refuses-to-relax-asset-classification-provisioning-norms-for-nbfc-121121700342_1.html
- Ahead of the deadline for card tokenisation, NPCI has joined hands with brands and aggregators such as bigbasket, Goibibo, MakeMyTrip, JioPay, Juspay, Paytm, and PhonePe to introduce a tokenisation facility supported by the recently launched NPCI Tokenisation System (NTS). "This facility will help millions of customers maintain the security of their card financial data for online transactions, as their RuPay card details will now be completely safe and secure in a secure vault within NTS," NPCI said in a statement.
<https://www.livemint.com/news/india/npci-enables-the-market-on-tokenization-for-rupay-users-with-nts-11639671628882.html>



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- SBI increased the base rate and prime lending rate by 10 basis points each, indicating the end of low interest rates. SBI has revised the prime lending rate to 12.3% from 12.2% and the base rate to 7.55% from 7.45%. The changes are effective Dec 15. The bank has also increased interest rates on fixed deposits above ₹2 crore.
<https://www.thehindubusinessline.com/money-and-banking/sbi-hikes-base-rate-prime-lending-rate-by-10-bps/article37974727.ece>
- Union Bank of India has raised ₹1,500 crore through issuing Basel III compliant debt instruments at a coupon rate of 8.40%. The issue size of the bank's debt issuance was ₹500 crore with a green shoe option to retain oversubscription up to ₹1,000 crore.
<https://economictimes.indiatimes.com/markets/companies/union-bank-of-india-to-raise-up-to-rs-1150-cr-by-issuing-basel-compliant-bonds/articleshow/84246452.cms?from=mdr>
- ICICI Bank has raised Rs 5,000 crore debt capital by issuing bonds on a private placement basis, the bank said today, the Bank said in a regulatory filing.
<https://economictimes.indiatimes.com/markets/companies/icici-bank-raises-rs-5000-cr-by-issuing-bonds/articleshow/88347889.cms>
- Home First Finance Co India Ltd (HomeFirst) has entered into a strategic co-lending partnership with Union Bank of India to offer home loans to customers. "The partnership aims at leveraging the strengths of both entities to provide a seamless experience to retail home loan customers in the priority sector," HomeFirst said in an exchange filing.
<https://www.livemint.com/industry/banking/homefirst-union-bank-of-india-enter-co-lending-partnership-to-offer-home-loans-11639724460167.html>
- HDFC Bank today said its MSME book witnessed a 17% Y-o-Y growth to over Rs 13,000 Cr as of Sept-end in Uttar Pradesh. As of Sept 30, 2021, the MSME loan book for UP stood at Rs 13,154 Cr, HDFC Bank said in a statement.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/hdfc-banks-loan-book-to-msmes-crosses-rs-13000-cr-in-uttar-pradesh/articleshow/88338597.cms>
- ICICI Prudential Life Insurance (IPRULIFE) has become the first Indian insurance Co to sign the United Nations -supported Principles for Responsible Investment (UNPRI), demonstrating its commitment towards the environment, social and governance (ESG) issues. In its journey towards promoting sustainability, the Co is integrating ESG factors into its investment management framework. This private life insurer has also adopted sustainability principles across its business activities.
<https://www.theautimes.com/icici-pru-first-insurer-to-sign-unpri-on-esg-issues/>



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- As the adoption of digital payments and wallets grow significantly, credit card users spent more than Rs 39,000 Cr on wallets and digital payments, including Rs 7,850 Cr on travel alone in 2021, by credit card bill management platform CRED revealed today.
https://www.business-standard.com/article/finance/credit-card-users-spent-rs-39-000-cr-on-digital-payments-in-2021-report-121121700692_1.html
- The RBI's plans to move towards card tokenisation is likely to hit a wide range of companies from major e-commerce firms and food delivery firms to lenders, while increasing the use of cash, said industry sources and bankers. The RBI issued guidelines in March 2020 saying that merchants will not be allowed to save card information on their websites to boost data security.
<https://www.thehindu.com/sci-tech/technology/india-central-banks-push-for-card-security-to-hit-merchants-lenders/article37978423.ece>
- Declining for the third consecutive week, India's forex reserves dipped by USD 77 million to reach USD 635.828 billion for the week ended Dec 10, RBI data showed today. In the previous week, the reserves had slid by USD 1.783 billion to USD 635.905 billion.
<https://economictimes.indiatimes.com/news/economy/finance/forex-reserves-decline-usd-77-mn-to-usd-635-828-bn/articleshow/88344436.cms>
- The ongoing two-day nationwide bank strike against the privatisation of government banks has affected clearing of cheques worth about Rs 37,000 Cr, said, General Secretary of AIBEA. "There are 3 cheque clearing centres in India -- Chennai, Delhi and Mumbai. In 2 days - Thursday and Friday - about 38 lakh cheques worth about Rs 37,000 Cr were held up," C H Venkatachalam said. Giving a grid wise break up, Venkatachalam said in about 10 lakh cheques worth about Rs 10,600 Cr in Chennai, about 18 lakh cheques worth about Rs 15,400 Cr in Mumbai and some 11 lakh cheques worth Rs 11,000 Cr in Delhi were not cleared.
<https://www.greaterkashmir.com/business/clearance-of-38-lakh-cheques-worth-rs-37000-cr-affected-by-bank-strike>

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