



**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 23, 2021

- **Central Bank of India revamps services, products:** Central Bank Of India (CBoI) has introduced customised products such as a revamped corporate internet banking portal, m-passbook app, e-mandate in debit card, and RuPay business card, among others. The public sector bank also introduced the Cent Sanjeevani and Cent Go-Green Vehicle Loan products as part of its 111th foundation day on December 21. Matam Venkata Rao, MD and CEO, appealed to employees to perform with passion to improve CBoI's ranking among peer banks, according to a statement from the bank.
<https://www.thehindubusinessline.com/money-and-banking/central-bank-of-india-revamps-services-products/article38010632.ece>
- **Central Bank of India, U GRO Capital ink co-lending deal, aim Rs 1,000 crore disbursal:** MSME lending fintech platform, U GRO Capital on Wednesday announced that it has signed a co-lending agreement with Central Bank of India. Under this partnership, the two entities aim to disburse up to Rs 1000 crore to U GRO Capital's varied MSME segments under its programmes like Pratham, Sanjeevani, Saathi, GRO MSME and Machinery financing, in the next 12 months. The co-lending arrangement with Central Bank of India will work towards providing formal credit to underserved MSMEs at affordable rates across all product categories of U GRO Capital, it said in a statement.
<https://www.moneycontrol.com/news/business/central-bank-of-india-u-gro-capital-ink-co-lending-deal-aim-rs-1000-crore-disbursal-7853161.html>
- **Physical, digital financial services to co-exist in India: SBI chairman:** SBI Chairman Dinesh Kumar Khara on Wednesday said physical and digital modes of financial services delivery models will co-exist in India due to a wide geographical space. "In India, we serve a variety of customers. We also serve those who are digital savvy and who would not like to have anything physical but on phone clicks. There are also customers who have financial and digital literacy as a major concern. "So I think its not either/or situation perhaps for a country like India, the digital and physical, both will co- exist, its going to be phygital," Khara said while speaking at the FIBAC 2021, jointly organised virtually by FICCI and IBA. On the emergence of the co-lending model in India, he said it is an essential mechanism which was initially meant for establishing connections with the last mile.
https://www.business-standard.com/article/finance/physical-digital-financial-services-to-co-exist-in-india-sbi-chairman-121122201182_1.html
- **Banks need \$70 bn more to support aim of \$5 tn economy: SBI chairman Khara:** Banks may be adequately capitalized at present, but they would need additional capital of \$70 billion (₹5.3 trillion) to support India's ambitions in becoming a \$5 trillion economy, SBI chairman Dinesh Khara said on Wednesday. "To really support this kind of activity, there is a need for significantly ramping up the capital of the banking system. Though, as of now banks are very well-capitalized but seen in the



**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

context of a \$5 trillion economy, my assessment is that additional capital worth \$70 billion would be required for the banking system as a whole," Khara said at Fibac 2021, a conference hosted by industry body Ficci and the Indian Banks' Association (IBA).

<https://www.livemint.com/industry/banking/banks-need-70-bn-more-to-support-aim-of-5-tn-economy-sbi-chairman-khara-11640170061139.html>

- **Last-leg capital infusion into banks may take shape in Q4:** he government proposes to recapitalize public sector banks (PSBs) which have emerged from the Reserve Bank of India's (RBI's) prompt corrective action (PCA) framework and may need additional funds to strengthen their books, two officials said. The finance ministry will finalize the last round of capital infusion for PSBs early next year and will look into the requirements of each bank, especially weak ones that are still under PCA or have recently been out, they added.
<https://www.livemint.com/industry/banking/lastleg-capital-infusion-into-banks-may-take-shape-in-q4-11640201967078.html>
- **RBI to conduct 4-day VRRR auction worth ₹2-lakh crore:** The Reserve Bank of India (RBI) will conduct a four-day variable rate reverse repo (VRRR) auction on December 23, 2021, to absorb about ₹2 lakh crore from the banking system. This will be the central bank's seventh VRRR auction this month. Market players feel that RBI is prepping the market for tightening of financial conditions down the line via these auctions.
<https://www.thehindubusinessline.com/money-and-banking/rbi-to-conduct-4-day-vrrr-auction-worth-2-lakh-crore/article38015451.ece>
- **Cashfree Payments' tokenisation solution to go live on Dec 27:** Cashfree Payments has said its tokenisation solution, Token Vault, will go live on December 27. The company has partnered with Visa and Mastercard to deploy tokenisation services for its customers, said a statement. "Token Vault will eliminate a merchant's need to onboard multiple payment partners by enabling them to save tokenised cards and process payments using tokenised cards, acting as a single solution," it further said. "We are happy to launch this at the time of the winter festive shopping season and businesses will witness a spike in card transactions," said Akash Sinha, CEO and Co-Founder, Cashfree Payments.
<https://www.thehindubusinessline.com/companies/cashfree-payments-tokenisation-solution-to-go-live-on-dec-27/article38009545.ece#:~:text=Company%20says%20businesses%20will%20witness,its%20customers%2C%20said%20a%20statement.>
- **Kotak Mahindra Prime buys Ford's passenger vehicle loan portfolio:** Kotak Mahindra Prime, a subsidiary of Kotak Mahindra Bank, on Wednesday announced that it has acquired the passenger vehicle finance portfolio of Ford Credit India (FCIPL).
<https://www.thehindubusinessline.com/money-and-banking/kotak-mahindra-prime-buys-fords-passenger-vehicle-loan-portfolio/article38014339.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

- **MPAI, ADIF urge RBI to extend deadline for card on file tokenisation:** The Merchant Payments Alliance of India (MPAI) and the Alliance of Digital India Foundation (ADIF) have urged the Reserve Bank of India to extend the December 31 deadline for card on file tokenisation. While saying the norms are a step in the right direction, MPAI and ADIF in a letter to the RBI have noted that there are several operational challenges. The two bodies have sought a phased implementation of the new mandate, a minimum time frame of six months for merchants to comply post readiness of banks, card networks, and payment aggregators and payment gateways, as well as generating consumer awareness about the impact of the policy change. "MPAI and ADIF are of the view that 'ecosystem readiness' is a sequential process of going live with stable API documentation for tokenised transactions," they said in a statement issued on Wednesday.
<https://www.thehindubusinessline.com/money-and-banking/mpai-adif-urge-rbi-to-extend-deadline-for-card-on-file-tokenisation/article38012809.ece>
- **Pine Labs launches tokenisation solution:** Pine Labs on Wednesday announced the launch of 'Plural Tokenizer', a tokenisation solution that works across leading card networks. "Plural Tokenizer comes with robust features such as OTP-based two-factor authentication, visibility to issuers on where the tokens are being stored, cryptograms that are unique to each transaction, and issuance of tokens to merchants for a particular use case that cannot be used outside that specific merchant (CoF) use case or domain (F2F) use case," it said in a statement.
https://www.business-standard.com/article/companies/pine-labs-launches-plural-tokenizer-to-help-firms-with-rbi-norms-121122200636_1.html
- **Public digital infra to facilitate financial inclusion, says Viral Acharya:** The Almus Rupee Money Conference 2021 was held on December 3 and 4. The inaugural address, was delivered by G Padmanabhan, former Executive Director of RBI, who has been the mentor of the conference since its inception. The keynote address was delivered by Viral Acharya, former RBI Deputy Governor. He talked about how the public digital infrastructure in India will facilitate financial inclusion and the development of a new credit ecosystem. The panel discussions centred around the dynamics of the dollar-rupee exchange rate, including the Central Bank's role to contain its volatility and methods of intervention, the evolution of GIFT city and how it has been instrumental in shifting business to the Indian domestic markets.
<https://www.thehindubusinessline.com/money-and-banking/public-digital-infra-to-facilitate-financial-inclusion-says-viral-acharya/article38013542.ece>
- **Technology bringing disruption in financial services sector, need for level-playing field: KV Kamath:** Veteran banker K V Kamath on Wednesday exhorted the banking industry to pitch for a level-playing field with technology-driven new age players, saying that the rise of technology has led to disruption in the financial services sector. He said that bankers should make a case with the regulator for a level-playing field and the requirement of regulatory reporting should be extended to new age players. "We now have a digital mindset at all levels, there is the rise of technology and the bank customers are now receptive to change. New players who are coming up and grabbing and leveraging the opportunity in the banking and financial space. "As long as you are ring-fenced and protected by the



**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

regulator, you have the space to breathe ... now you need to see that you have the level playing field with these new players. It appears from a banker's point of view that the playing field is not level.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/technology-bringing-disruption-in-financial-services-sector-need-for-level-playing-field-kv-kamath/articleshow/88433024.cms>

- **Income Tax refunds of over Rs 1.44 lakh crore issued so far this fiscal:** Income tax refunds of over Rs 1.44 lakh crore have been issued to 1.38 crore taxpayers so far this fiscal, the I-T department said on Wednesday. This includes 99.75 lakh refunds of Assessment Year (AY) 2021-22 (fiscal ended March 31, 2021) amounting to Rs 20,451.95 crore. More than 4 crore ITRs for 2020-21 fiscal (ended March 2021) have been filed till December 21. In a tweet, the department said income tax refunds of Rs 49,194 crore have been issued to 1,35,35,261 entities and corporate tax refunds of Rs 95,133 crore have been issued in over 2.11 lakh cases.
<https://economictimes.indiatimes.com/news/economy/finance/income-tax-refunds-of-over-rs-1-44-lakh-crore-issued-so-far-this-fiscal/articleshow/88436208.cms>
- **Banks raise over Rs 37,000 cr via AT1 bonds amid capital ratio concern:** Indian banks have raised more than Rs 37,000 crore by issuing new Additional Tier 1 bonds (AT1) this financial year (FY22). The amount is higher than Rs 28,430 crore worth AT1 bonds for which call options are due in the FY22, addressing concerns on rollovers and capital ratios. According to rating agency ICRA, Rs 20,505 crore of AT-I bonds of public sector banks (PSBs) and Rs 7,925-crore bonds of private sector banks (PVBs) are due for exercise of call option. Most bonds (worth Rs 19,750 crore) are due in the second half (H2 FY2022). All PSBs have largely raised AT-I bonds nearly equivalent to the call options due in FY2022, likely preserving their capital ratios, ICRA said.
https://www.business-standard.com/article/finance/banks-raise-over-rs-37-000-cr-via-at1-bonds-amid-capital-ratio-concern-121122200775_1.html
- **Google Pay, Mastercard ink pact to provide tokenised card payments:** Mastercard and Google on Tuesday announced a partnership through which Google Pay users can transact using Mastercard credit and debit cards on the app. Mastercard cardholders will be able to make payments through a digital token without sharing card details with merchants. Google Pay Android users will be able to scan and pay across all Bharat QR-enabled merchants and tap-and-pay machines, and make in-app transactions with their respective cards. In case the mobile device is misplaced, card details will remain secured as a digital token. The token can be updated by the card issuer in case of loss, expiration or replacement of the card.
<https://www.financialexpress.com/industry/google-pay-mastercard-ink-pact-to-provide-tokenised-card-payments/2386035/>
- **Bad loans in Mudra scheme double as Covid19 hits MSMEs:** Hit by a slowing economy and two pandemic waves, bad loans of the micro, small and medium enterprises (MSMEs) under the Pradhan Mantri Mudra Yojna (PMMY) have doubled since 2018-19 or FY19. FY19 was the last pre-pandemic fiscal. The NPAs of small businesses against loans taken under PMMY, better known as the Mudra scheme, stood at Rs 34,090.34 crore in FY21, against Rs 17,712.63 crore in FY19. Data shared by



**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

Minister of State for Finance Bhagwat Karad, in response to a question in Parliament, show that NPAs under the scheme jumped more than 47 percent to Rs 26,078.43 crore in FY20 and then another 31 per cent during the pandemic year. The Mudra scheme was launched in April 2015 to help micro entrepreneurs access credit from the formal financial system.

<https://www.moneycontrol.com/news/business/bad-loans-in-mudra-scheme-double-as-covid19-hits-msme-7855671.html>

- **IIFL Home Finance eyes Rs 24,000 crore AUM by March-end:** IIFL Home Finance is targeting assets under management (AUM) growth of 15-16% on a year-on-year basis to at least Rs 24,000 crore by March end, the company's executive director and chief executive office (ED & CEO) Monu Ratra told FE. Ratra said that disbursements momentum has meaningfully picked up from June onwards and the first two months of third quarter, October-December, were 'very promising' in terms of credit growth.
<https://www.financialexpress.com/industry/banking-finance/iifl-home-finance-eyes-rs-24000-crore-aum-by-march-end/2387394/>
- **Niva Bupa Health Insurance to hire 30,000 agents for South push:** Standalone health insurer Niva Bupa Health Insurance (formerly, Max Bupa Health Insurance), is charting a southern market expansion programme for which the company plans to hire 30,000 agents and achieve more than three-fold growth in gross written premium (GWP) and coverage of lives in the region by FY24.
<https://www.thehindubusinessline.com/companies/niva-bupa-health-insurance-to-hire-30000-agents-for-south-push/article38015290.ece>
- **Sensex up 611 pts at closing, Nifty tops 16,900:** The BSE Sensex closed at 56,930.56, up 611.55 points or 1.09 per cent, near the day's high of 56,989.01. It recorded an intraday low of 56,471.03. The Nifty 50 closed at 16,955.45, up 184.60 points or 1.1 per cent. It recorded an intraday high of 16,971.00 and a low of 16,819.50. Hindalco, Tata Motors, Divi's Lab, Eicher Motor and Bajaj Finance were the top gainers on the Nifty 50 while SBI Life, Wipro, Grasim, Adani Ports and Nestle India were the top laggards.
<https://www.thehindubusinessline.com/markets/sensex-up-611-pts-at-closing-nifty-tops-16900/article38012083.ece>
- **Rupee gains 5 paise to end at 75.54 against US dollar:** In a range-bound session, the rupee appreciated by five paise to close at 75.54 (provisional) against the US dollar on Wednesday as a firm trend in domestic equities boosted investor sentiments. Besides, forex dealers said that lower crude prices in the international market and a subdued dollar overseas also supported the local unit. The rupee resumed higher at 75.56 per dollar against the previous close of 75.59 at the interbank foreign exchange market and hovered in a range of 75.48 to 75.65 before settling at 75.54, registering a rise of 5 paise.
<https://www.thehindubusinessline.com/markets/forex/rupee-jumps-11-paise-to-7548-against-us-dollar-in-early-trade/article38009819.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

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.