



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

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- **SBI raised 3 month CD for the first time in a decade:** The country's largest bank, State Bank of India (SBI), has tapped the short-term debt market after nearly a decade, raising three month money worth ₹2,000 crore by issuing certificates of deposit (CD) at 3.8%, according to two people aware of the matter. The return on the CD issued by SBI is around 10 basis points (bps) higher than the cutoff yield on 91-day Treasury bills auctioned by the government on Wednesday. One basis point is one hundredth of a percentage point. "This is just an additional source of funding for SBI in case the need arises in the next financial year. This is just to test the market," said one of the persons mentioned earlier.
<https://www.livemint.com/industry/banking/sbi-raised-3-month-cd-for-the-first-time-in-a-decade-11645798111541.html>
- **Union Bank launches MSME RuPay Credit Card:** Union Bank of India (UBI), in association with National Payments Corporation of India (NPCI), on Friday launched 'Union MSME RuPay Credit Card' for meeting business related operational expenses of Micro, Small & Medium Enterprises (MSMEs). This Card comes with interest free credit up to 50 days. "The dedicated card for MSMEs is available to eligible borrowers of Union Bank of India...The Card also offers EMI facility to the customers on their business-related purchases," the public sector bank said in a statement.
<https://www.thehindubusinessline.com/money-and-banking/union-bank-launches-msme-rupay-credit-card/article65084814.ece>
- **DBS Bank India migrates to new IFSC and MICR codes:** The IFSC and MICR codes of all branches of erstwhile Lakshmi Vilas Bank have changed after the amalgamation with DBS Bank India. "While the new codes have been active since October 25, 2021, the older IFSC codes will remain valid until February 28, 2022 to ensure customers' convenience and ease of transition," the bank said in a statement on Friday. Customers will be required to use the new DBS IFSC code from March 1, 2022 onwards to receive funds through NEFT, RTGS and IMPS. "All existing cheques issued to the third party will have to be replaced with new cheques before February 28, 2022," the bank further said, adding that any cheque with old MICR codes presented after the date will not be honoured. The amalgamation of Lakshmi Vilas Bank with DBS Bank India came into effect on November 27, 2020.
<https://www.thehindubusinessline.com/money-and-banking/dbs-bank-india-migrates-to-new-ifsc-and-micr-codes/article65083959.ece>
- **Gold Bonds new series issue price set at ₹5,109 per gram:** The nominal value of the Series X of Sovereign Gold Bonds, which will open for subscription from February 28 to March 04, 2022, has been set at ₹5,109 per gram of gold. This is ₹323 per gram higher than the value of the preceding series. The Centre, in consultation with the Reserve Bank of India (RBI), has decided to offer a discount of ₹50 per gram less than the nominal value to those investors applying online and the payment against the



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application is made through digital mode. For such investors, the issue price of Gold Bond will be ₹5,059, as per a RBI statement.

<https://www.thehindubusinessline.com/money-and-banking/gold-bonds-new-series-issue-price-set-at-5109-per-gram/article65084975.ece>

- **FDI in Oct-Dec shrank 44%:** Foreign direct investment (FDI) equity inflows into India in the third quarter of FY22 shrank almost 44% to \$12 billion from \$21.46 billion in the year-ago period, as per official data. The total FDI inflows- which include reinvested earnings-shrank 31.4% to \$17.94 billion during October-December as against \$26.16 billion in the corresponding period last year. As per data released by the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflows shrank 16% to \$43.17 billion during April-December 2021 from \$51.4 billion a year ago.
<https://economictimes.indiatimes.com/news/economy/finance/fdi-in-oct-dec-shrank-44/articleshow/89834076.cms?from=mdr>
- **Secured lenders reject IL&FS' Jammu tunnel debt recast plan:** Secured lenders led by State Bank of India rejected a debt recast plan submitted by IL&FS for a project it undertook in Jammu & Kashmir to build India's longest tunnel, said three people aware about the development. Secured lenders claim that the distribution of cash as proposed under the plan was unfair and that it was skewed in favour of unsecured creditors and lenders within the IL&FS Group, they said. Last December, IL&FS proposed a debt recast for Chenani Nashri Tunnelway Ltd (CTNL), after a ₹3,900 crore deal to sell the special purpose vehicle to I Squared Capital's Cube Highways did not fructify, the people said. IL&FS wanted Cube to improve the offer after signing the agreement, they said.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/secured-lenders-reject-ilfs-jammu-tunnel-debt-recast-plan/articleshow/89836312.cms>
- **NBFCs may see loan growth of 14% in FY23: India Ratings and Research:** Non-banking finance companies are likely to see normalisation of business activities in the fiscal year 2022-23, in the absence of any negative event, India Ratings and Research said on Friday. NBFCs would maintain loan growth of around 14 per cent year-on-year in the next fiscal with growth in the current fiscal at about 7 to 8 per cent, it added.
<https://www.thehindubusinessline.com/money-and-banking/nbfc-may-see-loan-growth-of-14-in-fy23-india-ratings-and-research/article65083422.ece>
- **HFCs could grow 13% in FY23: India Ratings and Research:** Housing finance companies could grow at 13 per cent year on year in 2022-23 as against an 11 per cent growth this fiscal, India Ratings and Research said on Friday. In its outlook for the sector for 2022-23, the agency noted that low interest rates along with stable property prices and the low impact of the pandemic on job losses and wage growth in the salaried segment have led to improved affordability for borrowers. "This accompanied with the need for a bigger housing space during the pandemic bodes well for financiers to drive the overall assets under management (AUM) growth higher, despite high competition from banks," it said.
<https://www.thehindubusinessline.com/money-and-banking/hfcs-could-grow-13-in-fy23-india-ratings-and-research/article65083608.ece>



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- **Minimum Assured Return Scheme: PFRDA appoints EY Actuarial Services as design consultant:** Pension regulator Pension Fund Regulatory & Development Authority (PFRDA) has appointed EY Actuarial Services LLP as a consultant to help design a Minimum Assured Return Scheme (MARS) under the National Pension System (NPS). Now that a consultant has been appointed for MARS design, it may take another 6-8 months before the actual product gets rolled out to the public, sources in PFRDA said.
<https://www.thehindubusinessline.com/money-and-banking/minimum-assured-return-scheme-pfrda-appoints-ey-actuarial-services-as-design-consultant/article65083720.ece>
- **Last weekly G-Sec auction of FY22 sails through:** The last weekly auction of Government Securities (G-Sec), as per the issuance calendar for FY22, sailed through on Friday amid speculation in the debt market that the government may hold one or two more G-Sec auctions next month in case there is a delay in the IPO of Life Insurance Corporation of India (LIC). The government raised ₹23,000 crore by auctioning three G-Secs: Floating Rate Bond 2028 (₹4,000 crore), 6.54 per cent 2032 G-Sec/ GS (₹13,000 crore) and 6.95 per cent GS 2061 (₹6,000 crore). The Reserve Bank of India (RBI), which is the banker and debt manager to the government, had cancelled the previous two weekly auctions on a review of the government's cash balance position.
<https://www.thehindubusinessline.com/money-and-banking/last-weekly-g-sec-auction-of-fy22-sails-through/article65084641.ece>
- **RBI extends term of its nominee on Dhanlaxmi Bank board :** Dhanlaxmi Bank said in a regulatory filing on Friday that the Reserve Bank of India has extended the term of Dr G Jagan Mohan, additional director, for a further period of two years from February 27, 2022, to February 26, 2024, or till further orders whichever is earlier. Mohan, an RBI nominee, was appointed as additional director by the RBI for a period of two years on February 27, 2020. Currently, the Thrissur-based lender has just 6 directors, including two RBI nominees as against the maximum strength of 11. The Reserve Bank of India (RBI) had advised Dhanlaxmi Bank in June 2021 to ensure transparency in the nomination process of directors and follow best corporate governance practices.
<https://www.financialexpress.com/industry/banking-finance/rbi-extends-the-term-of-its-nominee-in-dhanlaxmi-bank-board/2444954/>
- **Dhanlaxmi Bank aiming at healthy balance sheet:** Dhanlaxmi Bank believes it has turned the corner and is poised for a healthy balance sheet in coming quarters, as it reported growth in the operating profit for the first three quarters of the current fiscal despite a decline in treasury yields. The lender recently was in the news for governance issues and a fallout between large shareholders and the board. JK Shivan, managing director & CEO, said interest income grew 2.45% in Q3 on a sequential basis while interest expenses remained more-or-less at the same level.
<https://www.financialexpress.com/industry/banking-finance/dhanlaxmi-bank-aiming-at-healthy-balance-sheet/2445066/>
- **Market stages recovery; Sensex bounces by 1,300 pts, Nifty ends above 16,600:** The BSE Sensex closed at 55,858.52, up 1,328.61 points or 2.44 per cent. It recorded an intraday high of 56,183.70 and a low of 55,299.28. The Nifty 50 closed at 16,658.40, up 410.45 points or 2.53 per cent. It recorded an



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intraday high of 16,748.80 and a low of 16,478.30. Coal India, Tata Motors, Tata Steel, Adani Ports and IndusInd Bank were the top gainers on the Nifty 50. Only three stocks- Britannia, Nestle India and Hindustan Unilever closed in the red.

<https://www.thehindubusinessline.com/markets/market-stages-recovery-sensex-bounces-by-1300-pts-nifty-ends-above-16600/article65083860.ece>

- **Rupee rebounds 27 paise to 75.33 against US dollar:** The rupee appreciated by 27 paise to close at 75.33 against the US dollar on Friday in line with regional currencies, following a retreat in crude oil prices and a rebound in domestic equities. At the interbank forex market, the local unit opened at 75.31 against the greenback and witnessed an intra-day high of 75.18 and a low of 75.46. The rupee finally ended at 75.33, registering a gain of 27 paise over its previous close.

https://www.business-standard.com/article/finance/rupee-rebounds-27-paise-to-75-33-against-us-dollar-122022501155_1.html#:~:text=The%20rupee%20finally%20ended%20at,launched%20military%20operations%20against%20Ukraine.

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