



**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 UPDATES BY BFSI COMMITTEE, ICAI

May 15, 2021

- **SBI promotes 8 CGMs as DMDs, 22 GMs as CGMs** : State Bank of India (SBI) has promoted eight Chief General Managers (CGMs) as Deputy Managing Directors (DMDs) and 22 General Managers (GMs) as CGMs. The promotions are with effect from May 14. The new DMDs are Mahesh Kumar Sharma, Sanjay D Naik, Subrata Biswas, Ramanathan Viswanathan, Amara Ramamohan Rao, Poludasu Kishore Kumar, Om Prakash Mishra and Balakrishna Raghavendra Rao. As per SBI's website, currently, there are 15 DMDs at the headquarters. Further, the heads of some of the bank's arms such as SBI Capital Markets and SBI Mutual Fund are of the rank of DMD. - Business Line
- **FinMin asks States to vaccinate banking industry personnel on 'priority' basis** : The Finance Ministry has once again written to the States requesting them to consider putting in place a special dispensation for vaccinating the staff of banks, insurance companies, business correspondents, payment systems and other financial services providers on 'priority' basis. In a letter written on Friday to the Chief Secretaries of States, Debashish Panda, Secretary, Department of Financial Services (DFS), has re-emphasised their critical role in ensuring that branches/offices remain open and functional and continue to provide the complete suite of services to customers. The DFS letter has highlighted that vaccinating the staff of banks and other financial services providers on priority will go a long way in boosting their morale and enhancing their enthusiasm for seamless provision of financial services. The letter pointed out that many bank officials had even succumbed to the virus with some of them losing their lives. - Business Line
- **Airtel Payments Bank launches DigiGold** : Airtel Payments Bank on Thursday launched DigiGold, a digital platform for customers to make investments in gold. This has been rolled out in partnership with SafeGold, a provider of digital gold. With DigiGold, Airtel Payments Bank's saving account customers can invest in 24K gold using the Airtel Thanks app. Customers can also gift DigiGold to their family and friends, who have a savings account with Airtel Payments Bank. The gold purchased by customers is stored securely by SafeGold at no additional cost and can be sold through Airtel Thanks app at any time in a matter of few clicks. There is no minimum investment value requirement and customers can start with as low as one rupee. - Business Line
- **Yes Bank to sell property of E Commerce Magnum Solution for recovery of Rs 345 crore** : Yes Bank has invited bids for sale of immovable assets of a borrower, E Commerce Magnum Solution Ltd, to recover dues of over Rs 345 crore. In an e-auction sale notice, Yes Bank said it took physical possession of the immovable properties mortgaged to it on August 29, 2020



**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

pursuant to a demand notice issued to the borrower and mortgagor in January 2020. The e-auction will take place under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act. The auction is with regard to One Hughes project at Chowpatty, Mumbai of E Commerce Magnum Solution Ltd, Yes Bank said. - economic times

- **Govt appoints Vandita Kaul as nominee director on board of Bank of India** : State-owned Bank of India (BOI) on Friday said the government has appointed Vandita Kaul, additional secretary in the Finance Ministry, to its board as nominee director. The bank said it has received the communication from the Finance Ministry about Kaul's nomination on May 13, 2021. The government has nominated Vandita Kaul, Additional Secretary, Ministry of Finance, Department of Financial Services as government nominee director on the board of directors of Bank of India with immediate effect, the lender said in a regulatory filing. Bank of India has a total of eight members on its board, including the MD and CEO Atanu Kumar Das, its four executive directors, one nominee director each from the government and the RBI and one shareholder director. - economic times
- **Global banks shift some Covid-hit operations from India** : The tech centres of global banks based in Bengaluru, Chennai and Gurgaon have seen staff getting infected during the second wave, forcing them to move some work to other geographies temporarily. Most, however, say their robust business continuity plans have prevented any significant damage. Wall Street giant Morgan Stanley, which has 6,000 employees in Mumbai and Bengaluru, said a small percentage of its staff have been impacted due to the pandemic, though it is operating in a business-as-usual mode. A British retail bank, which has about 13,000 employees across Gurgaon, Chennai and Bengaluru, had 10-12% staff down at different stages, but back-ups have been rock solid. - economic times
- **With rural areas impacted by Covid, MFIs face drop in collections** : With rural areas also impacted by the second wave of the Covid-19 pandemic, microfinance institutions (MFI) have been witnessing a drop in collections and expect further uncertainty but are hopeful that the situation may stabilise by the end of June. "The situation was normal at least till the third week of April this year unlike April and May 2020 when there was a complete lockdown and no collections. Collections have now slowed down and they are only up to 20 per cent to 30 per cent of normal levels," said P Satish, Executive Director of MFI association SaDhan. - Business Line
- **Loan restructuring: FIDC seeks clarity from RBI on relief measures** : The Finance Industry Development Council (FIDC) has written to Reserve Bank of India Governor Shaktikanta Das seeking more clarity and highlighting residual issues in the NBFC sector after the announcement of relief measures for loan restructuring on May 5. "To clarify or permit



**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

restructuring of such MSME accounts, which had been restructured under Restructuring Framework 1.0 and increasing the period of moratorium and/or extending the residual tenor up to a total of two years for MSMEs, along the same lines as the support provided to individuals and small businesses,” said the representation by FIDC, which is the representative body of assets and loan financing companies. It has also sought inclusion of hybrid use of tractors under the definition of small businesses, thereby allowing restructuring of such mixed-use tractor (equipment) loans. - Business Line

- **Aditya Birla Capital Q4 net profit surges 161%** : Aditya Birla Capital’s consolidated net profit surged by 161.1 per cent to ₹375.15 crore in the fourth quarter of the fiscal 2020-21 as against ₹143.67 crore in the same quarter in the previous fiscal. Its consolidated net profit increased by 22.5 per cent to ₹1,126.54 crore, as compared to ₹919.78 crore in 2019-20. For the quarter ended March 31, 2021, Aditya Birla Capital posted a 16.2 per cent jump in its total revenue from operations to ₹5,586.83 crore (₹4,808.16 crore in previous fiscal). “The retailisation strategy has led to the active customer base growing to about 24 million, a 22 per cent year on year growth,” it said in a statement on Friday, adding that the overall assets under management across asset management, life insurance and health insurance businesses grew 10 per cent year on year, to over ₹3,35,000 crore. - Business Line
- **COVID support:** JP Morgan earmarks \$3.8 mn for India staff; offers \$10 mn more in phases : Global investment banking major JP Morgan Chase has increased its COVID-19 support to the country manifold, taking the total planned aid to close to USD 16 million, of which USD 3.8 million is for supporting its over 35,000 employees in India. The head of the Wall Street major Jamie Dimon had on April 30 had committed an upfront USD 2 million financial aid along with an appeal to its over 2.5 lakh employees globally to chip in which would be matched by an equal amount by the company. In an internal communication on Thursday, which PTI has seen, Filippo Gori, the chief executive of JP Morgan Asia Pacific, said the bank has set aside USD 3.8 million for the care of its over 35,000 India employees, and an additional USD 10 million is being earmarked in phases to support the needy in their pandemic recovery phase. - economic times
- **States, UTs not giving priority to bankers to get vaccinated, says AIBOC** : The All India Bank Officers’ Confederation (AIBOC) has requested the Union Ministry of Health Services & Family Welfare (MoHFW) to suitably intervene so that bank employees and other service providers can avail of Covid-19 vaccination easily and on priority basis. The Association said despite the Parliamentary Standing Committee on Home Affairs recognising bankers as frontline Covid-19 warriors, till date no perceptible initiative has been taken by any State Government/Union Territory (UT), save and except Arunachal Pradesh, for arranging vaccination to the bank employees/workers and their families on priority basis. - Business Line



**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

- **Cryptocurrency investors stuck as banks block transactions :** Cryptocurrency exchanges and investors are facing a new challenge with most banks unwilling to process such transactions. According to sources, the issue had started cropping up in late February and in recent weeks some banks have directed payment gateways not to process cryptocurrency-related transactions. Advertisements by cryptocurrency exchanges during the Indian Premier League as well as booming trading volumes are understood to be the cause of concern even though the Supreme Court had lifted the ban on them in March 2020. - Business Line
- **Banks make a beeline at Covid vaccine makers' doorstep to offer loans :** Commercial banks are rushing to coronavirus vaccine manufacturers to offer them funds after the Reserve Bank of India (RBI) opened a liquidity tap of Rs 50,000 crore last week, which is available 'on-tap' for the lenders for on-lending to the healthcare sector. According to banking industry sources, a host of commercial banks – both public sector and private sector – have sanctioned a line of credit to the tune of Rs 6,000 crore to Pune-based Serum Institute of India (SII) – the largest vaccine producer of the world, which is manufacturing Covishield vaccine. Sources indicate that SII has drawn Rs 1,200 crore from the amount that was sanctioned. A banker also said that a Rs 1,000-crore line of credit has been sanctioned for Bharat Biotech as well, the Hyderabad-based manufacturer of Covaxin. - Business Line
- **PMC depositors allowed to withdraw up to Rs 5 lakh for Covid treatment: RBI :** The Reserve Bank of India (RBI) in a response filed in Delhi High Court stated that depositors Punjab Maharashtra Cooperative (PMC) Bank are already allowed to withdraw up to Rs 5 lakhs on hardship grounds for treatment of terminal illnesses, including treatment of COVID-19. "It is the duty of Punjab Maharashtra Cooperative (PMC) to pay hardship amount to the eligible depositors as per directions of RBI and subject to availability of liquidity with that bank. To expedite the process, the authority for approving the payment under hardship grounds has also been delegated to the PMC Bank," states RBI reply in Delhi High Court. RBI affidavit has been filed in court in a response to an application seeking immediate release for emergency funds to meet the financial needs arising out of sudden out-break of the second wave of COVID-19. - Business Standard
- **Second Covid wave: Auto-debit payment bounce rate increases again in April :** The second wave of the pandemic and the localised lockdowns have led to the problem of failure in auto-debit transactions surfacing again in April. According to the National Automated Clearing House (NACH) data, in April 34.05 per cent of auto-debit transactions in volume terms failed compared to 32.76 per cent in March – the lowest after February 2020. In absolute terms, in April of the 85.4 million auto-debit transactions initiated, 56.3 million were successful, while 29.08 million failed. Since December, the share of unsuccessful auto-debit requests had been declining steadily, indicating higher regularity in equated monthly instalments (EMIs), utility, and insurance premium payments. - Business Standard



**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

- **India's forex reserves up by \$1.444 billion to \$589.465 billion** : The country's foreign exchange reserves increased by \$1.444 billion to \$589.465 billion in the week ended May 7, 2021, RBI data showed. In the previous week ended April 30, 2021, the reserves had risen by \$3.913 billion to \$588.02 billion. The reserves had touched a lifetime high of \$590.185 billion in the week ended January 29, 2021. During the reporting week ended May 7, 2021, the increase in reserves was on account of a rise in foreign currency assets (FCA), a major component of the overall reserves. FCA rose by \$434 million to \$546.493 billion in the reporting week, the Reserve Bank of India's (RBI) weekly data showed. - moneycontrol.
- **Gold prices flat at Rs 47,757/10 gram, Axis Securities sees price at Rs 53,000 level by year-end; Silver drops** : Gold prices were steady at Rs 47,757 per 10 gram in the Mumbai retail market on a stronger rupee and positive global trend. The precious metal ended the second successive week with gains and rose Rs 273, or 0.58 in the domestic market. The rate of 10 gram 22-carat gold in Mumbai was Rs 43,745 plus 3 percent GST, while 24-carat 10 gram was Rs 47,757 plus GST. The 18-carat gold quoted at Rs 35,818 plus GST in the retail market. Silver prices tumbled by Rs 588 to Rs 70,360 per kg against its closing price on May 12.
- **Sensex gains 41 points at closing, Nifty below 14,700** : While the 30-pack BSE Sensex after hitting an intraday low of 48,473.43 closed in the green at 48,732.55, up 41.75 points or 0.09 per cent. The Nifty 50 closed in the red at 14,677.80, down 18.70 points or 0.13 per cent. The BSE Sensex hit a day's high of 48,898.93 while Nifty 50 recorded the high at 14,749.65 and hit a low of 14,591.90. The breadth of the market was in favour of the decliners with 1,689 stocks declining, 1,401 advancing and 150 remaining unchanged on the BSE. As many as 418 securities hit the upper circuit and 175 the lower circuit; 265 hit their 52-week high while 34 touched 52-week low. Asian Paints, UPL, ITC, Nestle India and L&T were the top gainers on the Nifty 50 while Coal India, Tata Motors, Tata Steel, Hindalco and IndusInd Bank were among the top laggards.
- **Rupee rises 13 paise to settle at 73.29 against US dollar** : The Indian rupee strengthened by 13 paise to end at 73.29 (provisional) against the US dollar on Friday, tracking the weaker American currency in the overseas market. At the interbank forex market, the local unit opened at 73.41 against the greenback and witnessed an intra-day high of 73.22 and a low of 73.41. It finally ended at 73.29 against the American currency, registering a rise of 13 paise over its previous closing.