



**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 25, 2021

- **Tapan Ray ceases to be director on board of Central Bank of India:** State-owned Central Bank of India on Monday said Tapan Ray has ceased to be the director on the board post completion of his tenure. "Tapan Ray, part-time non-official director as well as non-executive chairman ceased to be the director of the bank with effect from May 23, 2021, consequent upon completion of his tenure," Central Bank of India said in a regulatory filing. Ray was appointed as director of Central Bank on May 23, 2018, for three years. As per the bank website, there are in total eight board members in Central Bank of India, including the MD and CEO, three executive directors, one nominee director each from the government and RBI and one shareholder director. Shares of Central Bank of India traded at Rs 19.05 apiece on BSE, up 2.97 per cent from the previous close.  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/tapan-ray-ceases-to-be-director-on-board-of-central-bank-of-india/articleshow/82906085.cms?from=mdr>
- **Believe that 10% credit growth is achievable: Ashwani Bhatia, SBI;** If you include all our investments, CPs, bonds, NCDs, so on and so forth, that number of 10% growth is possible. Even the number that we have shown this time, if you include the investments in CPs and bonds, is a little higher, said Ashwani Bhatia, Managing Director, SBI to ET Now. Replying to question "SBI numbers in the last two quarters have forced a lot of naysayers to change their opinion on the stock. Now that markets have digested the numbers, some naysayers ask how will SBI achieve 10% credit growth when the aggregate credit growth is going to be less than 10%?", he said "Just responding to your opening remarks. We are big, we are a PSU and we have turned around. To your question that whether we can have a 10% growth, it is quite simple. Last year we grew about 16% in retail, about flattish on the corporate side where we did not grow at all. Obviously, when we talk about the corporate book, it is more a function of how the economy is doing. Assuming that the retail book will remain robust, we are actually already seeing a decent number of enquiries coming in".  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/believe-that-10-credit-growth-is-achievable-ashwani-bhatia-sbi/articleshow/82901749.cms>
- **Canara Bank board meeting on Friday to consider capital raise for current fiscal:** State-run Canara Bank on Monday said it is looking to raise capital through a mix of equity and debt instruments in the current fiscal and a meeting of the board of directors will take place on May 28. However, the bank has not mentioned how much amount it plans to raise during 2021-22. "The board meeting of the bank is scheduled to be held on May 28, 2021 at the head office, Bengaluru, to consider and approve the capital raising plan of the bank for FY 2021-22," Canara Bank said in a regulatory filing. The lender said the capital is slated to be



**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

raised through qualified institutional placement (QIP), follow-on public offer, rights issue, preferential issue or any other means or a combination. It may also include the issue of Basel III bonds or other such securities.

<https://www.financialexpress.com/industry/banking-finance/canara-bank-board-meeting-on-friday-to-consider-capital-raise-for-current-fiscal/2257909/>

- **Bank credit grows by 6.02%; deposits up by 9.87%, RBI data shows:** Bank credit grew by 6.02 per cent to Rs 108.69 lakh crore and deposits increased by 9.87 per cent to Rs 152.17 lakh crore in the fortnight ended May 7, 2021, RBI data showed. In the fortnight ended May 8, 2020, bank advances stood at Rs 102.52 lakh crore and deposits at Rs 138.50 lakh crore, according to RBI's Scheduled Banks' Statement of Position in India as on May 07, 2021, released on Monday. Bank credit had grown by 5.71 per cent and deposits by 10.28 per cent in the previous fortnight ended April 23, 2021. In fiscal year 2020-21, bank credit had grown by 5.56 per cent and deposits by 11.4 per cent.  
[https://www.business-standard.com/article/finance/bank-credit-grows-by-6-02-deposits-up-by-9-87-rbi-data-shows-121052401241\\_1.html](https://www.business-standard.com/article/finance/bank-credit-grows-by-6-02-deposits-up-by-9-87-rbi-data-shows-121052401241_1.html)
- **Banks in India report loan fraud worth Rs 5 trn, SBI's amount largest:** Banks operating in India reported fraud of Rs 4.92 trillion as on March 31, 2021, which represents nearly 4.5% of the total bank credit, showed Reserve Bank of India (RBI) data, which was sought under the Right to Information (RTI) Act by Saurabh Pandhare. The data showed 90 banks and financial institutions reported a total of 45,613 cases of loan fraud till March 31, 2021. State Bank of India – the country's largest lender – reported the highest amount of loans as fraud - Rs 78,072 crore as on March 31, 2021. SBI is followed by Punjab National Bank (Rs 39,733 crore), Bank of India (Rs 32,224 crore), and Union Bank of India (Rs 29,572 crore). "Bank-wise data on frauds of banks which got merged with other banks later (such as Andhra bank, Corporation Bank etc) is provided as reported by each bank during the period during which the bank was operational," RBI said in the RTI report.  
[https://www.business-standard.com/article/finance/banks-in-india-report-loan-fraud-worth-rs-5-trn-sbi-s-amount-largest-121052400494\\_1.html#:~:text=State%20Bank%20of%20India%20%E2%80%93%20the,2021](https://www.business-standard.com/article/finance/banks-in-india-report-loan-fraud-worth-rs-5-trn-sbi-s-amount-largest-121052400494_1.html#:~:text=State%20Bank%20of%20India%20%E2%80%93%20the,2021)
- **RBI issues guidelines for amalgamation of district central co-op banks with state co-op banks:** The Reserve Bank on Monday said it will consider amalgamation of District Central Co-operative Banks (DCCBs) with State Cooperative Banks (StCBs) subject to various conditions, including that a proposal should be made by the state government concerned. The Banking Regulation (Amendment) Act, 2020 has been notified for the StCBs and DCCBs with effect from April 1, 2021. Amalgamation of such banks need to be sanctioned by the Reserve Bank of India. RBI has come out with the guidelines after a few state governments approached it for amalgamation of DCCBs with StCBs as a two-tier Short-term Co-operative Credit Structure



**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

(STCCS). As per the guidelines, RBI will consider proposals for amalgamation "when the state government of the state makes a proposal to amalgamate one or more DCCB/s in the state with the StCB after conducting a detailed study of the legal framework".

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-issues-guidelines-for-amalgamation-of-district-central-co-op-banks-with-state-co-op-banks/articleshow/82910831.cms?from=mdr>

- **No directive to PSBs to withdraw funds in foreign accounts: Finance Ministry:** The government has not asked state-owned banks to withdraw funds from foreign currency accounts overseas in anticipation of a potential seizure of those on Cairn Energy's petitions to enforce an arbitral award in favour of it, the finance ministry said on Sunday. "Constructive discussions" have been held and the government remains open for an amicable solution to the dispute within the country's legal framework, the ministry said in a statement. It added that the government was strongly defending its case against the arbitral award in the The Hague Court of Appeal on several grounds, after it filed an application on March 22, 2021 to set aside the December 2020 award.  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/no-directive-to-psbs-to-withdraw-funds-in-foreign-accounts-finmin/articleshow/82889997.cms>
- **FDI jumps 19% to USD 59.64 billion in 2020-21: Govt data :** Foreign direct investments (FDI) into the country grew 19 per cent to USD 59.64 billion during 2020-21 on account of measures taken by the government on the fronts of policy reforms, investment facilitation and ease of doing business, commerce and industry ministry said on Monday. Total FDI, including equity, re-invested earnings and capital, rose 10 per cent to the "highest ever" of USD 81.72 billion during 2020-21 as against USD 74.39 billion in 2019-20. "FDI equity inflow grew by 19 per cent in 2020-21 (USD 59.64 billion), compared to 2019-20 (USD 49.98 billion)," the ministry said in a statement.  
<https://economictimes.indiatimes.com/news/economy/finance/fdi-jumps-19-to-usd-59-64-billion-in-2020-21-govt-data/articleshow/82909023.cms?from=mdr>
- **DHFL lenders, RBI administrator file applications at NCLAT against Kapil Wadhawan's offer:** Lenders and RBI-appointed administrator of Dewan Housing Finance (DHFL) Monday filed two separate applications at the National Company Law Appellate Tribunal (NCLAT) challenging Mumbai NCLT's order that sought consideration of a settlement proposal by Kapil Wadhawan, a businessman under investigation for misdeeds. Piramal Group, which was the successful bidder to own the indebted home financier is contemplating a legal action against the order, three people with direct knowledge of the matter told ET. ET wrote in its May 24 print edition that lenders were preferring to file NCLAT applications.



**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

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/dhfl-lenders-rbi-administrator-file-applications-at-nclat-against-settlement-proposal-by-kapil-wadhawan/articleshow/82905388.cms>

- **NCLT admits insolvency plea against Wizcraft:** The Mumbai bench of the bankruptcy court has admitted an insolvency resolution petition filed by IDBI Bank against entertainment and event management company Wizcraft International Entertainment over default claimed to be over Rs 60 crore. The National Company Law Tribunal bench also earlier this month approved the name of Vinit Gangwal as the interim resolution professional for the Mumbai-based company. Calls and text messages sent to Sabbas Joseph, a cofounder and director of Wizcraft, remained unanswered till press time on Sunday. IDBI Bank had given a loan to Great Indian Nautanki Company (GINC), a subsidiary of Wizcraft that runs India's first live entertainment destination, Kingdom of Dreams, in Gurgaon. Wizcraft had provided a corporate guarantee to the loan. IDBI Bank has claimed that Wizcraft owed it Rs 60.39 crore as on June 1, 2019.

<https://economictimes.indiatimes.com/industry/media/entertainment/nclt-admits-insolvency-plea-against-wizcraft/articleshow/82891980.cms?from=mdr>

- **IDBI Bank has transformed into a retail bank: Samuel Joseph, Dy MD :** During the four years that IDBI Bank was under prompt corrective action (PCA), it transformed itself from a predominantly corporate bank to a retail bank. And the Bank, which exited PCA on March 10, 2021, would like to keep it that way, according to Samuel Joseph J, Deputy Managing Director. In an interaction with BusinessLine, he emphasised that it had aggressively accelerated provisioning, over and above the regulatory requirement, in the past to strengthen its balance sheet. So, write back to profits in the next two to three years, whenever the recovery from stressed assets happens, will be about ₹7,500 crore.

<https://www.thehindubusinessline.com/money-and-banking/idbi-bank-has-transformed-into-a-retail-bank-samuel-joseph-dy-md/article34633231.ece>

- **FlexiLoans.com partners Vivriti Capital to disburse loans worth ₹300-cr to MSMEs:** Fintech platform FlexiLoans.com has partnered with Vivriti Capital to provide working capital financing of over ₹300 crore to Micro, Small and Medium Enterprises (MSMEs) across the country. MSMEs can apply for loans online and receive in-principal approval within 24-48 hours digitally without manual intervention. The partnership will be powered by FlexiLoans.com's technology and credit underwriting platform 'BiFrost', which has been integrated with Vivriti's Co-lending platform 'CredAvenue'. The partnership is aimed at reaching out to more 10,000 MSMEs in the next 12-18 months, the company said in a statement.



**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

<https://www.thehindubusinessline.com/money-and-banking/flexiloanscom-partners-vivriti-capital-to-disburse-loans-worth-300-cr-to-msmes/article34634427.ece>

- **Covid-related health insurance claims top ₹23,000 crore:** Reflecting the surge in cases, Covid-related health insurance claims have crossed ₹23,000 crore for non-life insurers. However, the average duration of hospitalisation and claim amount has come down in the second wave of the pandemic as against the first wave last year. Data with General Insurance Council (GIC) reveals that insurers had received 15.32 lakh Covid-related claims by May 20 amounting to ₹23,715 crore. Of this, 12.59 crore claims worth ₹12,133 crore have been settled. About 1.13 lakh patients who had filed claims were still under treatment, while 22,461 had died, the data revealed. The remaining 13.96 lakh have been discharged.  
<https://www.thehindubusinessline.com/money-and-banking/covid-related-health-insurance-claims-top-23000-crore/article34629316.ece>
- **Fintech hub at GIFT City: IFSCA in talks with overseas regulators:** The International Financial Services Centres Authority (IFSCA) is in talks with 10 foreign jurisdictions to come up with bilateral agreements to enable Indian fintech startups to expand globally and access foreign capital. The IFSCA oversees the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC). And its latest effort is in line with the government’s ambitious plan to set up a world-class fintech hub at the Gujarat International Finance Tec-City (GIFT) IFSC in Gandhinagar, Gujarat. “We have started the preliminary activities to develop a unique platform for fintechs. Essentially, we are looking to create a “fintech bridge” with 10 identified foreign counterparts that will facilitate Indian fintech to access foreign markets,” Injeti Srinivas, chairman, IFSCA, told Business Standard. He said that IFSCA has held discussions with financial regulators of these jurisdictions to see how this could be mutually beneficial.  
[https://www.business-standard.com/article/companies/fintech-hub-at-gift-city-ifsc-a-in-talks-with-overseas-regulators-121052400030\\_1.html](https://www.business-standard.com/article/companies/fintech-hub-at-gift-city-ifsc-a-in-talks-with-overseas-regulators-121052400030_1.html)
- **Small banks brace for impact of 2nd covid wave on asset quality:** Small finance banks (SFBs) in India are expected to face broad delinquencies across loan portfolios amid the turmoil caused by the second wave of the pandemic, analysts said. Such banks are mandated by the Reserve Bank of India (RBI) to promote financial inclusion by serving the unbanked sections such as small businesses, small and marginal farmers, and micro and small industries and unorganized entities, which are one of the worst-affected segments. Several SFBs also did aggressive lending in the past two quarters, analysts said. The provision coverage ratio (PCR) of three listed banks—Equitas Small Finance Bank Ltd, Ujjivan Small Finance Bank Ltd and AU Small Finance Bank Ltd—stood at less than 60% of total bad assets at the end of March quarter, showed earnings data of the lenders. While this is considered decent in a normal



**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

quarter, none of the SFBs created any substantial buffer against the impact of the second wave.

<https://www.livemint.com/industry/banking/small-banks-brace-for-impact-of-2nd-covid-wave-on-asset-quality-11621794753155.html>

- **SBI hopes for an encore as FY21 ends on a high note:** India's largest lender by assets ended a year marked by a deep recession by reporting a record quarterly net profit and an improvement in most of its asset quality metrics. What's more, State Bank of India (SBI) chief Dinesh Khara believes the bank may replicate the performance this fiscal, too, despite the threat from the second covid wave. "We do not see any concern over asset quality this year," he said in an interaction with the media last week while announcing the quarterly earnings. SBI reported a 15% fall in its gross bad loan stockpile to ₹1.26 trillion for FY21. In percentage terms, bad assets formed just 4.98% of its loan book, far lower than the 6.15% for FY20. In almost every asset quality metric, the pandemic year FY21 was better than the previous year for SBI. Fresh slippages were 48% lower than FY20. A lot of this is because of forbearance. Indeed, SBI has had help from regulatory forbearance and fiscal measures that offset some of the unsavoury impact of the pandemic on its balance sheet.  
<https://www.livemint.com/industry/banking/sbi-hopes-for-a-d-j-vu-as-fiscal-2021-ends-on-a-high-note-11621792935025.html>
- **SAT issues interim stay on Sebi penalty order in Yes Bank AT-1 bonds case:** The Securities Appellate Tribunal (SAT) has imposed an interim stay on a Securities and Exchange Board of India's (Sebi's) order issued on 12 April, in which a penalty of ₹25 crore was slapped on Yes Bank, and three of its executives for allegedly not informing investors of risk factors while facilitating the sale of the AT-1 bonds in the secondary market. After Sebi had received multiple complaints from investors of AT-1 bonds that raised questions about the selling of these instruments, it conducted an investigation of the matter to ascertain whether there was any violation of its rules. The investigation found that Yes Bank represented the product as a "Super FD" and "as safe as FD"; the term sheet was not shared with many investors and no confirmation taken from the investors with regard to their understanding of the features and risks associated with the bond.  
<https://www.livemint.com/industry/banking/sat-imposes-interim-stay-on-sebi-penalty-order-in-yes-bank-at-1-case-11621847396057.html>
- **Gold prices rise to Rs 48,672/10 gm on safe-haven billing, ETF inflows; silver falls:** Gold prices modestly gained Rs 119 to Rs 48,672 per 10 gram at Mumbai retail market on a weak rupee and subdued global cues. The precious metal was supported by a pullback in dollar, Treasury yields and selloff in cryptocurrencies boosted safe-haven appeal. The rate of 10 gram 22-carat gold in Mumbai was Rs 44,584 plus 3 percent GST, while 24-carat 10 gram was



**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

Rs 48,672 plus GST. The 18-carat gold quoted at Rs 36,504 plus GST in the retail market. Silver prices fell by Rs 170 to Rs 71,075 per kg against its closing price on May 21.

<https://www.moneycontrol.com/news/business/commodities/gold-prices-rise-to-rs-4867210-gm-on-safe-haven-billing-etf-inflows-silver-falls-6931981.html>

- **Sensex, Nifty remain firm as PSU stocks shine:** At the end of the day, the BSE-listed stocks' market cap stood at ₹218.97 lakh crore. As the rupee too gained 13 paise to end at 72.96 against dollar on Monday, the market cap of listed BSE stocks closed at \$3 trillion. After moving between 50,875.59 and 50,465.90, the BSE Sensex closed at 50,651.90, up 111.42 points or 0.22 per cent. Nifty 50, which surpassed the 15,200- mark with a day's high of 15,256.25, closed at 15,197.70, up 22.40 points or 0.15 per cent. It hit a day's low of 15,145.45. Indian Oil Corporation, BPCL, State Bank of India, L&T and Eicher Motors were the top gainers on the Nifty 50 while Shree Cements, Tata Steel, JSW Steel, Britannia and IndusInd Bank were among the top laggards.  
<https://www.thehindubusinessline.com/markets/stock-markets/sensex-nifty-remain-firm-as-psu-stocks-shine/article34632308.ece>
- **Rupee slips 13 paise to close at 72.96 against US dollar:** The rupee declined by 13 paise to close at 72.96 (provisional) against the US currency on Monday as rising crude oil prices weighed on investor sentiment. However, gains in domestic equities and weaker US dollar overseas helped restrict rupee loss to some extent. At the interbank forex market, the local unit opened weak at 72.88 against the greenback and traded in the range of 72.98-72.86 during the session. The rupee finally ended at 72.96 against the American currency, registering a fall of 13 paise over its previous close.  
<https://www.moneycontrol.com/news/business/markets/rupee-slips-13-paise-to-close-at-72-96-against-us-dollar-6931721.html>

## Disclaimer

Information published in the daily updates are taken from publicly available sources and believed to be accurate. BFSI of ICAI takes no responsibility for the accuracy and reliability of information published in the daily updates. No part of this daily updates 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 BFSI of ICAI.

\*For Restricted Circulation only A Compilation of News in this regard from Secondary Sources.