

Captains of the microfinance industry said that their borrowers have now become savvy and know that a good repayment ensures timely dose of loans when they require it the most. So, debt waiver announcements could only derail repayment just temporarily and would not translate into default and significant escalation in credit cost.

<https://economictimes.indiatimes.com/industry/banking/finance/loan-waiver-promises-may-hamper-micro-loan-repayment-but-only-temporarily/articleshow/103145440.cms?from=mdr>

Centre Extends Aadhaar-based Payment System Till 31 December

The progress of the Aadhaar-based Payment System (ABPS) has been reviewed and the mixed route of wage payment (NACH and ABPS route) has been extended till 31 December 2023 or till further order, said the Ministry of Rural Development in a statement on Wednesday.

The statement added that the ministry has made it clear to all the States that beneficiary who comes for work should be requested to provide an Aadhaar number but will not be refused work on this basis.

"It has been brought to the notice of the central government that in many cases due to frequent changes in the bank account number by the beneficiary and non-updating of the new account number by the concerned programme officer of the

same, due to non-submission of a new account by the beneficiary on time, several transactions of wage payment are being rejected (due to old account number) by destination bank branch," the statement read.

<https://www.businessworld.in/article/Centre-Extends-Aadhaar-based-Payment-System-Till-31-December/30-08-2023-489477/>

Banks won't auction stressed loans covertly

Private and hush-hush deals that some banks cut with acquirers of stressed loans will soon come to an end. Under a new framework that high-street banks agreed on last week, lenders will have to ensure that the decision to auction loans is notified to all key players in the market. This will end the practice of pushing through a sale by putting out the auction advertisement in an innocuous newspaper while keeping many potential bidders in the dark.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-wont-auction-stressed-loans-covertly/articleshow/103114180.cms?from=mdr>

Fall in yields post HDFC merger makes funding cheaper for mortgage lenders

The merger of Housing Development Finance Corp (HDFC) with HDFC Bank has opened up space for other mortgage lenders to raise funds from the debt market at a cheaper rate as more money is now available for other companies, market

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