



**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

September 3, 2021

- **Bank of India looks to cut govt stake with follow-on equity offer in FY23:** Bank of India, which raised Rs 2,550 crore through a qualified institutional placement (QIP) in August, is considering a follow-on public issue next year to reduce the government's holding to 75 per cent. The additional capital would also support growth in lending beyond March 2023. With the mobilisation of the QIP money, the government's stake in the public sector bank would reduce from about 90 per cent to 81 per cent. It is keen on bringing the holding down to 75 per cent, which the Securities and Exchange Board of India (Sebi) has been advising, the bank's Managing Director and Chief Executive Officer Atanu Kumar Das told Business Standard.
https://www.business-standard.com/article/markets/bank-of-india-looks-to-cut-govt-stake-with-follow-on-equity-offer-in-fy23-121090300011_1.html#:~:text=Home-Bank%20of%20India%20looks%20to%20cut%20govt%20stake%20with,on%20equity%20offer%20in%20FY23&text=With%20the%20mobilisation%20of%20the,cent%20to%2081%20per%20cent.
- **India's PNB asks tribunal to quash Jet Airways' rescue plan:** India's Punjab National Bank on Thursday urged a tribunal to quash the rescue plan for defunct debt-laden Jet Airways, alleging irregularities in it, a move that risks delaying any return of the airline grounded two years ago. A consortium of London-based Kalrock Capital and a UAE-based businessman last year agreed to pump in 10 billion rupees as working capital and give funds to creditors of Jet, which was hit hard due to piling up debt in 2019. PNB, the court-appointed official in charge of Jet's revival, Ashish Chhawchharia, and a spokesperson for the consortium investing funds into the collapsed airline did not respond to requests for comment.
<https://www.reuters.com/article/jetairways-india-punjab-natl-bank/indias-pnb-asks-tribunal-to-quash-jet-airways-rescue-plan-idUSL4N2Q421K>
- **Axis Bank completes pricing of overseas AT-1 bonds:** Axis Bank has completed the pricing of its overseas AT-1 bonds to raise \$600 million. "We are pleased to inform that the Bank, acting through its GIFT City branch, has completed the pricing of its US dollar denominated Basel III Additional Tier 1 Notes," it said in a stock exchange filing.
<https://www.thehindubusinessline.com/money-and-banking/axis-bank-completes-pricing-of-overseas-at-1-bonds/article36241965.ece>
- **PMC Bank fraud: ED attaches HDIL group's shares worth Rs 233 crore:** The Enforcement Directorate (ED) on Thursday said it has attached partly-paid compulsorily convertible preference shares worth Rs 233 crore of HDIL group companies in the alleged multi-crore-rupee PMC bank fraud and money-laundering case. It said "on the strength" of these shares, HDIL had the rights for allotment of under-construction flats measuring 90,250 square feet FSI (floor space index) in Mumbai's Ghatkopar of developer Aryaman Developers Private Limited. "The developer has given an undertaking to ensure



**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

not to sell, transfer, alienate or create any third-party rights on completion of the project," the ED said.

https://www.business-standard.com/article/finance/pmc-bank-fraud-ed-attaches-hdil-group-s-shares-worth-rs-233-crore-121090201173_1.html

- **RBI to set up five-member panel on NUE licences:** The Reserve Bank of India (RBI) will set up a committee to scrutinise applications and give recommendations on new umbrella entity (NUE) licences, people aware of the development said. The five-member committee will be headed by RBI chief general manager P Vasudevan, they said. NUEs will establish their own payment infrastructure to compete with National Payments Corp. of India (NPCI). The government hopes to build a settlement system similar to the unified payments interface (UPI) with the NUEs. The system will be focussed on small and medium enterprises, merchants and consumers. The RBI had in August 2020 issued guidelines for creating "for-profit NUEs".
<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-to-set-up-panel-on-nue-licences/articleshow/85853196.cms>
- **India aims to open finance to millions with user-data system:** India unveiled a data-sharing system that could revolutionize investing and credit, giving millions of consumers greater access and control over their financial records and expanding the potential pool of customers for lenders and fintech companies. Regulators agreed to allow banks, pension funds, tax authorities, insurers and other finance firms to pool together customer information -- once the user consents -- to make transactions smoother. If the system works, firms will be able access large amounts of data within seconds to assess the creditworthiness of a small business, recommend a wealth management product for an individual, or tailor an insurance policy for a family.
<https://www.livemint.com/politics/policy/india-aims-to-open-finance-to-millions-with-user-data-system-11630592342389.html>
- **Karvy Stock Broking Case: CFO, COO arrested:** The Hyderabad police Thursday arrested Rajiv Ranjan Singh, the chief operating officer (COO) and G. Krishna Hari, the chief financial officer (CFO) of Karvy Stock Broking Pvt Ltd (KSBL), the police said. Last month, the city police had arrested the brokerage firm's chairman and MD, C Parthasarathy. According to police, the probe has allegedly revealed Parthasarathy and the arrested CEO of KSBL, Singh, who was incharge for trading and broking, unauthorizedly executed trading in nine other companies trading accounts from 2014 to 2019. Meanwhile, the arrested CFO Krishna Hari allegedly diverted funds.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/karvy-stock-broking-case-cfo-coo-arrested/articleshow/85870253.cms?from=mdr>
- **Karnataka Bank targets 15% credit growth for 2021-22:** Karnataka Bank Ltd (KBL) expects a credit growth of 15-17 per cent during the current fiscal. Replying to a query by a shareholder on the sluggish credit growth during 2020-21 at the 97th annual general meeting of the bank on Thursday, Mahabaleshwara MS, Chief Executive Officer and Managing Director of the bank, said KBL utilised the pandemic-affected year 2020-21 for realignment of its credit portfolio.



**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/karnataka-bank-targets-15-credit-growth-for-2021-22/article36247310.ece>

- **Eight major banks join the account aggregator network:** Eight major banks have joined the account aggregator network that will enable customers to easily access and share their financial data. These lenders include State Bank of India, ICICI Bank, Axis Bank, IDFC First Bank, Kotak Mahindra Bank, HDFC Bank, IndusInd Bank, and Federal Bank.
<https://www.thehindubusinessline.com/money-and-banking/eight-major-banks-join-the-account-aggregator-network/article36256274.ece>
- **J&K Bank board approves plan to raise ₹2,000 cr via equity, debt:** State-owned Jammu & Kashmir Bank today said its board has approved proposal to raise up to ₹2,000 crore through a mix of equity and debt. The J&K Bank board at its meeting on Thursday approved the plan to raise equity and debt capital up to ₹1,000 crore each. In a regulatory filing, the bank said that the board has approved raising of equity capital up to ₹1,000 crore in one or more tranches by way of rights issue/preferential allotment/private placement or qualified institutional placement (QIP) or any other approved mode.
<https://www.livemint.com/industry/banking/jk-bank-board-approves-plan-to-raise-rs-2-000-cr-via-equity-debt-11630594212346.html>
- **Axis Bank share price falls after SEBI imposes Rs 25 lakh fine:** Axis Bank share price down marginally in the early trade on September 2 after Central Bank imposed Rs 25 lakh fine on the bank for rule violations. The Reserve Bank of India (RBI) on September 1 imposed a monetary penalty of rupees twenty five lakh on Axis Bank for violation of rules, the central bank said on Wednesday.
<https://www.moneycontrol.com/news/business/stocks/axis-bank-share-price-falls-after-sebi-imposes-rs-25-lakh-fine-7419231.html>
- **Castler partners with Mumbai Angels for secure transaction solutions:** intech start-up Castler has partnered with Mumbai Angels (MA) to provide digital escrow solutions. Castler, an escrow-as-a-service provider, will help enable a convenient and safer financial transaction platform for the portfolio companies of Mumbai Angels. These companies can use Castler's platform for several use-cases, including buyer and seller trust gap, lending, profit sharing, pooling of monies from investors, cash flow collection, mergers and acquisitions, marketplaces, gaming, real-estate, charities, and fund raisings.
<https://www.thehindubusinessline.com/money-and-banking/castler-partners-with-mumbai-angels-for-secure-transaction-solutions/article36245714.ece>
- **Dvara KGFS appoints LVLN Murty as its new CEO:** Dvara Kshetriya Gramin Financial Services Pvt Ltd (Dvara KGFS), a leading NBFC operating in the remote rural parts of India, on Wednesday announced the appointment of LVLN Murty as the CEO, effective September 1, 2021. He will take over from CO Joby.
<https://www.thehindubusinessline.com/money-and-banking/dvara-kgfs-appoints-lvln-murty-as-it-new-ceo/article36245671.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

- **TCS, Wipro among five firms shortlisted by SEBI for fraud detection project:** Markets regulator SEBI has shortlisted TCS, Wipro, Capgemini Technology Services, L&T Infotech and NEC Corporation India for implementing data analytics-based software to detect fraud and alert the regulator to take corrective measures and levy penalties.
<https://www.thehindubusinessline.com/money-and-banking/tcs-wipro-among-five-firms-shortlisted-by-sebi-for-fraud-detection-project/article36251617.ece>
- **Rupee settles 2 paise higher at 73.06 against US dollar:** The Indian rupee settled with a marginal gain of 2 paise at 73.06 (provisional) against the US dollar on Thursday despite a sustained rally in domestic equities. At the interbank forex market, the local unit opened at 73.04 against the greenback and witnessed an intra-day high of 72.96 and a low of 73.13.
<https://www.thehindu.com/business/markets/rupee-edges-2-paise-higher-at-7306-against-us-dollar/article36248339.ece>
- **India Inc's ECB mop-up soars 60% y-o-y in July at \$3.434 billion:** India Inc raised 60 per cent more via external commercial borrowings (ECBs) in July 2021 at \$3.434 billion against \$2.147 billion in the year-ago period. The quantum of resources mopped up via ECBs in the reporting month is also 131 per cent more vis-a-vis \$1.484 billion in June 2021.
<https://www.thehindubusinessline.com/money-and-banking/india-incs-ecb-mop-up-soars-60-y-o-y-in-july-at-3434-billion/article36255694.ece>
- **Covid effect: Insurers tighten underwriting norms for group life policies, hike premium:** Life insurance companies have tightened underwriting norms for group life insurance policies and hiked premium in some cases after the second wave of the Covid-19 pandemic led to a surge in death claims. While many insurers are seeking medical information or tests for such policies, others have increased premium rates between 15 per cent and 100 per cent.
<https://www.thehindubusinessline.com/money-and-banking/covid-effect-insurers-tighten-underwriting-norms-for-group-life-policies-hike-premium/article36258998.ece>
- **Equitas SFB launches digital FDs on Google Pay in tie-up with Setu:** Equitas Small Finance Bank (SFB) has launched an initiative enabling customers to book fixed deposits (FDs) on Google Pay in under two minutes without having to open a bank account. The offering was made possible by connecting application programming interfaces (APIs) built by fintech infrastructure provider Setu. To start with, this functionality will be available for Google Pay users who access the app from Android. According to a bank release, customers can through the Google Pay app, book high interest rate FDs fully digitally — without having to open a savings account with Equitas Bank on its own spot integrated with the Google Pay platform.
<https://www.financialexpress.com/industry/banking-finance/equitas-sfb-launches-digital-fds-on-google-pay-in-tie-up-with-setu/2322349/>
- **RBI imposes penalty on Kosamba Mercantile Co-operative Bank:** The Reserve Bank of India (RBI) on September 2 imposed a monetary penalty of Rs one lakh on the Kosamba Mercantile Co-operative



**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

Bank Ltd for violation of rules. The bank didn't comply with certain directions issued by RBI on 'Loans and advances to directors, relatives, and firms', the RBI said in a release.

<https://www.moneycontrol.com/news/business/rbi-imposes-penalty-on-kosamba-mercantile-co-operative-bank-7421681.html>

- **Sensex closes 514 points higher, Nifty above 17,200 on sustained buying:** The BSE Sensex closed at 57,852.54, up 514.33 points or 0.90 per cent. It hit an intra-day high of 57,892.37 and a low of 57,287.79. The Nifty 50, which recorded a fresh all-time high of 17,245.50, closed at 17,234.15, up 157.90 points or 0.92 per cent. It recorded an intra-day low of 17,059.70. Shree Cements, HDFC Life, Cipla, TCS and Hindustan Unilever were the top gainers on the Nifty 50, while M&M, ONGC, Bajaj Auto, Divi's Lab and Tata Motors were the top laggards.

<https://www.thehindubusinessline.com/markets/stock-markets/sensex-closes-514-points-higher-nifty-above-17200-on-sustained-buying/article36248409.ece>

- **Gold price today extends losses to fourth day in a row, silver rates dip:** Gold continued to struggle in Indian markets today amid subdued global cues and a stronger rupee. On MCX, gold futures were flat at ₹47,063 per 10 gram, extending losses to the fourth day while silver edged lower to ₹63,795 per kg. In the previous session, gold had settled flat while silver jumped 0.76%.

<https://www.livemint.com/market/commodities/gold-price-today-extends-losses-to-fourth-day-in-a-row-silver-rates-dip-11630553258320.html>

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.