



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

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- **‘Higher loan growth for private banks’:** Private sector banks recorded higher loan growth compared to other bank groups (PSBs and foreign banks), with their share in total credit steadily increasing to 35.4 per cent in March 2021 from 20.8 per cent in March 2015, according to Reserve Bank of India (RBI). This has been at the cost of public sector banks, whose share in total credit has come down from 71.6 per cent to 56.5 per cent over the same period, said the central bank.
<https://www.thehindubusinessline.com/money-and-banking/higher-loan-growth-for-private-banks/article37011777.ece>
- **PNB Housing shelves ₹ 4,000-cr share sale plan to Carlyle Group, other investors:** PNB Housing Finance Limited (PNBHFL) has called off its proposed ₹ 4,000 crore share sale plan to Carlyle Group and other marquee investors including General Atlantic and Ares SSG, citing protracted delays and uncertainty over regulatory approvals required for the preferential issue. At a Board meeting held on Thursday evening, PNBHFL decided not to proceed with the proposed preferential issue and therefore will now evaluate other alternatives to raise capital. Also, all the share subscription agreements executed with the proposed allottees have been terminated.
<https://www.thehindubusinessline.com/money-and-banking/pnb-housing-shelves-4000-cr-share-sale-plan-to-carlyle-group-other-investors/article37000824.ece>
- **Fintech firm Tala raises \$145 m in Series-E round:** Tala, a financial services company, has raised \$145 million in Series E fundraise led by Upstart, taking the total funds raised to \$350 million. Stellar Development Foundation, Kindred Ventures and the J. Safra Group, IVP, Revolution Growth, Lowercase Capital, and PayPal Ventures also joined the round. Tala will use the investment to accelerate the rollout of its new financial account experience, which provides customers with fresh tools to borrow, save and manage their money, all through Tala’s top-rated consumer finance app,” a Tala statement has said.
<https://www.thehindubusinessline.com/money-and-banking/fintech-firm-tala-raises-145-m-in-series-e-round/article37001180.ece>
- **India's Forex reserves rise by \$2.04 billion to \$639.51 billion:** The country's foreign exchange reserves rose by \$2.039 billion to \$639.516 billion in the week ended October 8, according to RBI data. In the previous week ended October 1, the reserves had dipped by \$1.169 billion to \$637.477 billion. The reserves had surged by \$8.895 billion to a lifetime high of \$642.453 billion in the week ended September 3. During the reporting week ended October 8, the rise in the reserves was on account of an increase in the Foreign Currency Assets (FCAs), Reserve Bank of India's (RBI) weekly data released on Friday showed. FCA rose by \$1.55 billion to \$577.001 billion in the reporting week, as per the data.
<https://economictimes.indiatimes.com/news/economy/finance/indias-forex-reserves-rise-by-2-04-billion-to-639-51-billion/articleshow/87041938.cms>



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- **Bitcoin nears \$60,000 as investors eye first US ETFs:** Bitcoin hit a six-month high on Friday, approaching the record hit in April, as traders became increasingly confident that US regulators would approve the launch of an exchange-traded fund based on its futures contracts. The world's biggest cryptocurrency rose nearly 4 per cent to as high as \$59,664, its highest since mid-April. It has doubled in value this year and is near April's record high of \$64,895. The US Securities and Exchange Commission (SEC) is poised to allow the first US bitcoin futures ETF to begin trading next week, Bloomberg News reported on Thursday, citing people familiar with the matter.
<https://economictimes.indiatimes.com/markets/cryptocurrency/bitcoin-nears-60000-as-investors-eye-first-us-etfs/articleshow/87036687.cms>
- **RBI Gov to IMF, World Bank: Will remain accommodative in monetary policy:** India, which is experiencing robust economic recovery although uneven across sectors, has decided to remain accommodative in its monetary policy, the Reserve Bank of India Governor told the international community on Thursday. India is witnessing a very robust economic recovery, but there is still unevenness across sectors, RBI Governor Shaktikanta Das said in his address to the annual meeting of the International Monetary Fund and the World Bank.
<https://www.thehindubusinessline.com/money-and-banking/rbi-guv-to-imf-world-bank-will-remain-accommodative-in-monetary-policy/article37000419.ece>
- **Karnataka Bank to get Centenary building:** Foundation stone for the establishment of the centenary building of Karnataka Bank was laid in Mangaluru on Friday. Established in 1924, the bank will observe its Centenary Year during the financial year 2023-24. To be constructed adjacent to the present Head Office premises of the bank in Mangaluru, the proposed new building will be of 2.41 lakh sq ft of area. Laying the foundation stone for the centenary building, Mahabaleshwara MS, Managing Director and Chief Executive Officer of Karnataka Bank, said the bank has always travelled ahead of time to cater to the varying demands of the customers from all walks of life.
<https://www.thehindubusinessline.com/money-and-banking/karnataka-bank-to-get-centenary-building/article37002411.ece>
- **Unity Small Finance Bank plans to tap 100 million Payback users:** Unity Small Finance Bank (SFB), promoted by the Centrum-BharatPe combine, is looking to target over 100 million members of Payback - a loyalty programme company BharatPe acquired in June - to become a digital bank. Jaspal Bindra, chairman of Centrum Capital, had said that the proposed business model is one of collaboration and open architecture, to deliver a seamless digital experience, and aspire to be India's first digital bank. Elaborating on the bank's approach on a digital platform, Ashneer Grover, co-founder and managing director, BharatPe, said it would need all possible digital channels, including Payback's 100-million-plus customer base. "This will be done within what the regulatory framework allows us to do at arm's length. This (Payback) is an independent business," said Grover.
https://www.business-standard.com/article/finance/unity-small-finance-bank-plans-to-tap-100-million-payback-users-121101500040_1.html



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- **Public insurers lost 30% motor segment business since FY18: Care Ratings:** Even as the motor insurance segment, which had a massive decline in FY21, is returning to the growth path, public sector general insurers have been steadily losing ground to the private insurers overall and more so in the bread and butter motor segment, with pie crimping to 32.6 per cent in August, down from 36.6 per cent a year ago. As against this, the private sector has improved their market pie to 67.4 per cent in the reporting month from 63.4 per cent in the same period last year, shows an analysis of the monthly data by Care Ratings.
https://www.business-standard.com/article/companies/public-insurers-lost-30-motor-segment-business-since-fy18-care-ratings-121101500831_1.html
- **Sensex jumps 50% from last Dussehra to scale 61,000 mark. 169 stocks give multibagger returns:** India's equity markets have generated huge wealth for investors since Dussehra last year as the benchmark indices scaled new highs, even though there was a pause in April-May due to the second Covid-19 wave. The BSE Sensex has rallied more than 50 percent since last Dussehra on October 25, 2020, to surpass the 61,000 milestone on October 14, a day before Dussehra celebrations across the country this year.
<https://www.moneycontrol.com/news/business/markets/sensex-jumps-50-from-last-dussehra-to-scale-61000-mark-169-stocks-give-multibagger-returns-7584201.html>
- **U.S. banks beat profit estimates on economic rebound, deals bonanza:** The 4 largest US consumer banks posted another strong quarter this week as the rebounding economy allowed them to release more cash they had set aside for pandemic losses, while sizzling deals, equity financing and trading also boosted their bottom lines. JPMorgan Chase & Co, Citigroup, Well Fargo & Co and Bank of America Corp, seen by analysts and economists as bellwethers of the broader economy, reported a combined profit of \$28.7 billion for the third quarter, beating analyst estimates.
<https://www.reuters.com/world/us/us-banks-beat-profit-estimates-economic-rebound-red-hot-markets-2021-10-14/>
- **Max Life seeks IRDAI nod to launch subsidiary:** Max Life Insurance (MLI) has sought insurance regulator IRDAI's approval to set up a subsidiary to undertake pension fund management business, said Prashant Tripathy, Managing Director & CEO. Pension regulator PFRDA had recently granted approval to MLI to become a sponsor of a pension fund manager.
<https://www.thehindubusinessline.com/money-and-banking/max-life-seeks-irdai-nod-to-launch-subsiary/article37009859.ece>
- **RBI approves appointment of Pradeep Kumar Panja as Chairman of Karnataka Bank:** Karnataka Bank Ltd has received approval from the Reserve Bank of India to appoint Pradeep Kumar Panja, an Independent Director of the bank, as part-time non-executive Chairman with effect from November 14, for a period of three years. He will succeed P Jayarama Bhat, who will complete his term on November 13. Pradeep Kumar Panja retired as Managing Director (Corporate Banking) of State Bank of India (SBI). Prior to this, he also held the post of Managing Director of State Bank of Travancore for about a year.



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<https://www.thehindubusinessline.com/money-and-banking/rbi-approves-appointment-of-pradeep-kumar-panja-as-chairman-of-karnataka-bank/article37011465.ece>

- **IL&FS seeks NCLT approval to place Rs 4,000 crore of assets in InvIT:** The IL&FS group has sought approval from the National Company Law Tribunal (NCLT) to move five highway assets of the beleaguered group to an infrastructure investment trust (InvIT). An independent assessment has valued the projects at Rs 4,000 crore, said a company spokesman while confirming the development. The valuation is a regulatory requirement under the Securities and Exchange Board of India (Sebi) rules. With the NCLT approval, a total of 11 projects would be ready for monetisation through the InvIT route. The first tranche of six projects valued at around Rs 9,200 crore already have the NCLT approval.

https://www.business-standard.com/article/finance/il-fs-seeks-nclt-approval-to-place-rs-4-000-crore-of-assets-in-inv-it-121101600060_1.html

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