



**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

April 18, 2022

- **9 private banks on account aggregator system, 5 public sector banks in line:** The Account Aggregator (AA) ecosystem, which went live in September last year, aiming to transform how credit is processed and accessed in the country, has seen nine lenders go live on it, all of which are from the private sector. Having said that, five of 12 public sector lenders are working with their technology service providers to go live. The AA ecosystem's aim is to onboard more and more banks into the ecosystem and reach out to other financial sector players, such as insurance companies, going forward. "Of the 12 public sector banks in the country, five are actively working on joining the account aggregator system. They are working with their technology service providers to have it implemented," said BG Mahesh, co-founder & CEO of Sahamati, a not-for-profit company and an Industry Alliance for the account aggregator ecosystem. The five banks are State Bank of India, Union Bank of India, Bank of Baroda, Punjab National Bank, and Canara Bank. - Business Standard. Health insurers take 20-46 days to settle patients' claims: Report.
https://www.business-standard.com/article/finance/9-private-banks-on-account-aggregator-system-5-public-sector-banks-in-line-122041600029_1.html#:~:text=The%20five%20banks%20are%20State,to%20implement%20this%20across%20p,roducts.
- **Banks to move towards expected loss-based rating for infra projects:** Banks are weighing the possibility of embracing the 'expected loss' concept for rating infrastructure projects in the backdrop of the big infrastructure push being given by the government. The 'expected loss' (EL) concept-based ratings take into account both timely debt servicing/repayment (probability of default/PD) and recovery potential of an infrastructure project after a default occurs (loss given default/LGD). Since EL based ratings are holistic, the capital burden on banks vis-à-vis their exposure to infrastructure projects and funding costs for project developers could come down, according to experts.
<https://www.thehindubusinessline.com/money-and-banking/banks-to-move-towards-expected-loss-based-rating-for-infra-projects/article65329638.ece>
- **Government amends FEMA rules to allow 20% FDI in LIC:** The government has amended rules of the Foreign Exchange Management Act (FEMA), paving the way for up to 20 per cent foreign direct investment in the insurance behemoth LIC. The government is planning to dilute its stake in LIC through the the Initial Public Offering (IPO). LIC in February had filed the Draft Red Herring Prospectus (DRHP) before the markets regulator Sebi for the IPO. Last month, Sebi gave approval to the draft papers and the insurer is in the process of filing a request for proposal with changes. Following the Cabinet approval, the Department for Promotion of Industry and Internal Trade (DPIIT) on March 14 had amended the Foreign Direct Investment (FDI) policy to facilitate overseas investment in LIC ahead of the mega public offer.
<https://www.moneycontrol.com/news/business/ipo/govt-amends-fema-rules-to-allow-20-fdi-in-lic-8369901.html>
- **IDBI Bank seeks shareholders nod for 10-fold hike in MD & CEO salary:** Private lender IDBI Bank has proposed a nearly 10-fold hike in the salary of its managing director and CEO Rakesh Sharma who had been instrumental in bringing the bank out of the RBI's restrictive prompt corrective action (PCA) framework. The bank has sought the approval of its shareholders through a postal ballot which started on April 6 and will end on May 5, 2022, to pass the ordinary resolution, among others. The lender, in which LIC holds a majority stake, will declare the results of



**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

the postal ballot on or before May 7, 2022. Members' permission is also sought to re-appoint Sharma as the MD & CEO for another three years with effect from March 19, 2022.

<https://www.thehindubusinessline.com/money-and-banking/idbi-bank-seeks-shareholders-nod-for-10-fold-hike-in-md-ceo-salary/article65324244.ece>

- **HDFC Bank to raise Rs 50,000 cr via bonds; re-appoints Renu Karnad as director:** HDFC Bank on Saturday said it will raise up to Rs 50,000 crore in the next one year by issuing bonds aimed at financing infrastructure and affordable housing loan requirements of the customers. The decision was taken at the meeting of the board of directors. The board has approved the issuance of perpetual debt instruments (part of additional tier I capital), tier II capital bonds and long term bonds (financing of infrastructure and affordable housing) up to a total amount of Rs 50,000 crore, it said in a regulatory filing.
<https://bfsi.economictimes.indiatimes.com/news/banking/hdfc-bank-to-raise-rs-50000-cr-via-bonds-re-appoints-renu-karnad-as-director/90902034#:~:text=The%20country's%20largest%20private%20sector,effect%20from%20September%2003%2C%202022.>
- **RBI looking for at least 50,000 sq ft office space in BKC, South Mumbai:** The Reserve Bank of India (RBI) is planning to take on lease at least 50,000 square feet of office space in Bandra Kurla Complex (BKC) and South Mumbai. According to an Expression of Interest (Eoi) floated by the RBI, the acquisition of office premises is proposed on a long-term lease basis for a minimum 40,000 square feet carpet area located in and around BKC within a radius of 5 km from its BKC office. In another Eoi, the RBI said the acquisition of office premises is proposed on long-term lease basis for at least 10,000 square feet carpet area located in and around South Mumbai within a radius of 5 km from its Fort office.
<https://economictimes.indiatimes.com/news/india/rbi-looking-for-at-least-50000-sq-ft-office-space-in-bkc-south-mumbai/articleshow/90892702.cms>
- **Seven of top 10 firms lose Rs 1.32 lakh crore in m-cap; RIL biggest drag:** Seven of the 10 most valued firms suffered a combined erosion of Rs 1,32,535.79 crore in market valuation last week, with Reliance Industries emerging as the worst hit. In the holiday-truncated week, the Sensex tumbled 1,108.25 points or 1.86 per cent. While Reliance Industries Ltd (RIL), TCS, HDFC Bank, Infosys, HUL, Bajaj Finance and HDFC were the laggards from the top-10 pack, ICICI Bank, SBI and Adani Green Energy were the gainers. Adani Green Energy had on Monday last week entered the list of the top-10 most valued domestic firms.
<https://bfsi.economictimes.indiatimes.com/news/financial-services/seven-of-top-10-firms-lose-rs-1-32-lakh-crore-in-m-cap-ril-biggest-drag/90902075#:~:text=Exclusive-Seven%20of%20top%2010%20firms%20lose%20Rs%201.32%20lakh%20crore,Green%20Energy%20were%20the%20gainers.>
- **HDFC moved NCLT against SITI Networks claiming default of Rs 296 cr:** Housing Development Finance Corporation Ltd (HDFC) has moved insolvency tribunal NCLT against the country's leading multi-system operator SITI Networks Ltd for an alleged default of Rs 296 crore. SITI Networks has received a notice issued by the Mumbai bench of the National Company Law Tribunal over the petition filed by HDFCL, the Essel group firm said in a regulatory filing on Thursday. "The company has received the notice of the said case on April 13, 2022," the Essel group firm said adding it "is compiling information to verify the facts claimed in the said petition filed by HDFC. HDFC, in the petition filed under Section 7 of the Insolvency and Bankruptcy Code (IBC), has claimed a total default of Rs 296.06 crore, with respect to the financial facility provided by it.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/hdfc-moved-nclt-against-siti-networks-claiming-default-of-rs-296-cr/articleshow/90865868.cms>



**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

- **RBI shelve plastic banknote plan:** The Reserve Bank of India (RBI) seems to have shelved its project to implement plastic banknotes due to concerns about the ability of the currency notes to withstand Indian climatic conditions, characterised by high temperatures. Moreover, with the Unified Payments Interface (UPI)-based transactions growing by leaps and bounds and the planned launch of Central Bank Digital Currency (CBDC) in FY23, the need for introducing plastic banknotes has diminished. Per RBI's 2015-16 annual report, a billion pieces of banknotes in denomination of ₹10 were to be printed on all available plastic (polymer) substrates and issued to the public in five cities having different climatic zones — Kochi, Mysuru, Shimla, Jaipur and Bhubaneswar, on a trial basis.
<https://www.thehindubusinessline.com/money-and-banking/rbi-puts-plan-to-introduce-plastic-banknotes-on-backburner/article65323653.ece#:~:text=The%20Reserve%20Bank%20of%20India,conditions%2C%20characterised%20by%20high%20temperatures.>
- **ICICI Prudential Life Insurance Q4 net profit surges 189.5%:** ICICI Prudential Life Insurance reported a 189.5 per cent surge in its net profit for the fourth quarter of the fiscal 2021-22 at ₹184.67 crore compared to ₹63.78 crore a year ago. For the quarter ended March 31, 2022, its net premium income fell 4.4 per cent to ₹11,358.91 crore as against ₹11,879.28 crore in the corresponding quarter in the previous fiscal. However, for the full fiscal 2021-22, the private sector life insurer recorded a 21.4 per cent dip in its net profit to ₹754.13 crore from ₹960.15 crore in 2020-21.
<https://www.thehindubusinessline.com/money-and-banking/icici-prudential-life-insurance-q4-net-profit-surges-1895-per-cent/article65326604.ece#:~:text=ICICI%20Prudential%20Life%20Insurance%20reported,63.78%20crore%20a%20year%20ago.>
- **Kotak Mahindra Bank launches digital platform for business banking, corporate clients:** Kotak Mahindra Bank on Wednesday announced the launch of Kotak FYN, its new enterprise portal exclusive for business banking and corporate clients. “Customers can use the portal to carry out all trade and services transactions,” it said in a statement, adding that by the last quarter of 2022, the Kotak FYN portal will include account services, payments and collections. “The portal will offer a host of other features like a dashboard which can be customisable, track the utilisation of transaction limits on a real-time basis, access to past transactions, upcoming transaction events etc. It also promises to provide an individualised experience in minimum steps and systems stability,” it added.
<https://www.thehindubusinessline.com/money-and-banking/kotak-mahindra-bank-launches-digital-platform-for-business-banking-corporate-clients/article65317462.ece#:~:text=The%20app%20promises%20to%20provide,business%20banking%20and%20corporate%20clients.>
- **Mutual funds add over 3 cr folios in FY22 on sharp rally in equity market, digitisation:** Increasing awareness about mutual funds, ease of transactions through digitisation and sharp surge in equity markets have aided asset management companies to add a staggering 3.17 crore investor accounts in 2021-22, with experts saying the trend is likely to continue this fiscal as well. This was a significant rise from 2020-21 when 81 lakh accounts (or folios in mutual fund parlance) were opened, data with the Association of Mutual Funds in India (Amfi) showed. The ongoing financial year too appears to be promising in terms of folios as increase in investor accounts will enable people to move beyond fixed deposits and savings accounts, said Priti Rathi Gupta, founder of LXME, a financial platform for women.
<https://economictimes.indiatimes.com/mf/mf-news/mutual-funds-add-over-3-cr-folios-in-fy22-on-sharp-rally-in-equity-market-digitisation/articleshow/90904016.cms>



**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

- **Q4 results: HDFC Bank net profit jumps 23% to ₹10,055 crore:** The country's largest private sector lender HDFC Bank reported a near 23 per cent jump in its standalone net profit for the fourth quarter of the fiscal 2021-22 on the back of robust income and lower provisions. For the quarter ended March 31, 2022, the bank reported a 22.8 per cent increase in its net profit to ₹10,055.2 crore as against ₹8,186.51 crore in the same quarter of the previous fiscal. The lender's net profit for the full fiscal year 2021-22 rose 18.8 per cent to ₹36,961.3 crore against ₹31,116.53 crore in 2020-21.
<https://www.thehindubusinessline.com/money-and-banking/hdfc-bank-q4-net-profit-up-22/article65326310.ece>
- **UPI to stay on top; BNPL, digi currency to drive digital payments growth in next 5 years: Report:** Retail online transaction platform UPI will likely continue to dominate the digital payments space in the country even as newer methods such as BNPL and digital currency are expected to define the future of payments, a study has said. Unified Payments Interface (UPI), Buy Now Pay Later (BNPL), Central Bank Digital Currency (CBDC) and offline payments will drive growth of digital payments in India in the next five years, PwC India said in a report. UPI is expected to continue to be the major contributor in the digital payments space, followed by BNPL, it said. The Indian digital payments market saw steady growth at a CAGR of 23 per cent (volume-wise), and is expected to reach 21,700 crore transactions in FY26 from 5,900 crore in FY22, said the report titled 'The Indian Payments Handbook – 2021-26'. In 2020-21, UPI transactions reached a record 2,200 crore, and it is expected to reach 16,900 crore by 2025-26, growing at a CAGR (compounded annual growth rate) of 122 per cent, it said.
<https://economictimes.indiatimes.com/industry/banking/finance/upi-to-stay-on-top-bnpl-digi-currency-to-drive-digital-payments-growth-in-next-5-years-report/articleshow/90891087.cms>
- **Health insurers take 20-46 days to settle patients' claims: Report:** Settlement of expense reimbursement claims under health insurance policies on an average takes about 20 to 46 days from the date of intimation to the insurer, said a study conducted by insurtech platform SecureNow. The company said the industry data tabulated by it also shows that patients are quite prompt in informing the insurers about claims with most of them intimating the concerned insurance firms within a week of hospitalisation. "However, on the other hand, the insurance companies take on an average between 7 to 108 days to settle the claims related to maternity. Caesarean sections take the longest time 9 to 135 days and chemotherapy the shortest period 12 to 35 days," the insurance broker said.
<https://www.livemint.com/insurance/news/health-insurance-claims-settlements-takes-20-46-days-says-report-11650262916323.html>
- **FPIs turn net sellers again, withdraw over Rs 4,500 crore from stocks last week:** Adopting a cautious stance, foreign investors have pulled over Rs 4,500 crore from the Indian equity market last week on fears of an aggressive rate hike by US Federal Reserve. This comes following a net investment of Rs 7,707 crore by foreign portfolio investors (FPIs) during April 1-8 as a correction in the markets provided a good buying opportunity, data with depositories showed. Prior to that, FPIs remained net sellers for six months to March 2022, withdrawing a massive net amount of Rs 1.48 lakh crore from equities. These were largely on the back of anticipation of a rate hike by the US Federal Reserve and due to the deteriorating geopolitical environment following Russia's invasion of Ukraine.
<https://www.moneycontrol.com/news/business/fpis-turn-net-sellers-again-withdraw-over-rs-4500-crore-from-stocks-last-week-8370061.html>



**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

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.