



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

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- **Bank of India cuts home, vehicle loan rates:** State-run Bank of India on Sunday announced a cut in its interest rates on home and vehicle loans by 35 basis point and 50 basis points, respectively. With this cut, the interest rate on home loans starts at 6.50 per cent against earlier 6.85 per cent, and at 6.85 per cent against 7.35 per cent prior on vehicle loans, the bank said in a release. This special rate, which is effective from October 18, 2021, till December 31, 2021, is available for customers applying for fresh loans and also for those seeking transfer of loans, it said.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-of-india-cuts-home-vehicle-loan-rates/articleshow/87081405.cms>
- **Bank of Baroda launches centralised agri-loans processing units:** Bank of Baroda (BoB) on Saturday launched centralised agri-loans processing units across 16 Zonal Offices. Christened as the Centre for Agriculture Marketing and Processing (CAMP), the unit is a dedicated credit delivery model with a focus on financing non-traditional agricultural products and handling agri-marketing activities, the public sector bank said in a statement.
<https://www.thehindubusinessline.com/economy/agri-business/bank-of-baroda-launches-centralised-agri-loans-processing-units/article37018080.ece>
- **NARCL: Bad bank to soon bring more directors on board:** The National Asset Reconstruction Company (NARCL) better known as bad bank will soon bring more directors on board for better corporate governance. The move aims to ensure fair representation of shareholders as well, sources close to the developments informed. In the beginning of this month, the Reserve Bank of India (RBI) had given licence to the ₹6,000 crore NARCL led by public sector banks with 51 per cent stake in the entity. There would be shareholders' representation from the private sector banks' side, which will have 49 per cent, sources said. Besides, the central bank of India has asked NARCL to submit details of the full board soon, sources added.
<https://www.livemint.com/industry/banking/narcl-bad-bank-to-soon-bring-more-directors-on-board-11634461601346.html>
- **Sundaram Finance to look at co-lending to add more asset classes: MD Rajiv Lochan:** Sundaram Finance that built a lending business by financing truck purchases is preparing for the next phase of growth by funding more asset classes amid a possible boom in rural incomes and the government's infrastructure projects, its chief executive said. While its traditional way of doing business like physical interaction and verification of customers' credit worthiness is unconventional, it would leverage digital, technology and data without compromising on its ethos of safety and customer orientation.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/sundaram-finance-to-look-at-co-lending-to-add-more-asset-classes-md-rajiv-lochan/articleshow/87053495.cms>



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- **Gold imports jump multi-fold to USD 24 bn in Apr-Sep:** Gold imports, which have a bearing on the current account deficit, zoomed to about USD 24 billion during April-September 2021 due to higher demand in the country, according to data from the Commerce Ministry. Imports of the yellow metal was USD 6.8 billion in the corresponding period last year, the data showed. Gold imports during September this year too rose to USD 5.11 billion as against USD 601.4 million in the same month last year.
<https://economictimes.indiatimes.com/news/economy/foreign-trade/gold-imports-jump-multi-fold-to-usd-24-bn-in-apr-sep/articleshow/87079589.cms>
- **Finance Ministry to seek Cabinet nod for setting up company to monetise land assets of privatisation-bound CPSEs:** The finance ministry will soon move the Cabinet to seek approval for setting up a company for transfer and subsequent monetisation of land and non-core assets of privatisation-bound CPSEs, an official said. A special purpose vehicle (SPV) in the form of a company would be set up to hold these assets which would be monetised to fetch value to the exchequer, Department of Investment and Public Asset Management (DIPAM) Secretary Tuhin Kanta Pandey said.
<https://economictimes.indiatimes.com/news/economy/finance/finance-ministry-to-seek-cabinet-nod-for-setting-up-company-to-monetise-land-assets-of-privatisation-bound-cpses/articleshow/87080228.cms>
- **HDFC Bank Q2 net up 17.6% on robust interest income:** Private sector lender HDFC Bank's standalone net profit increased 17.6 per cent in the second quarter of the current fiscal supported by a robust growth in net interest income. For the quarter ended September 30, the bank reported net profit of ₹8,834.3 crore against ₹7,513.11 crore in the corresponding quarter last fiscal. Net interest income grew 12.1 per cent to ₹17,684.4 crore (₹15,776.4 crore). Core net interest margin was at 4.1 per cent. Other income was up 21.5 per cent at ₹7,400.8 crore (₹6,092.5 crore). Provisions and contingencies increased 6 per cent to ₹3,924.7 crore (₹3,703.5 crore). "Total provisions for the current quarter included contingent provisions of approximately ₹1,200 crore," HDFC Bank said in a statement on Saturday.
<https://www.thehindubusinessline.com/money-and-banking/hdfc-bank-q2-net-profit-up-176/article37019951.ece>
- **Bond yields trend higher despite softer inflation:** Benchmark yield closed marginally higher this week despite positive inflation data even as rising crude prices, higher US treasury yields and domestic liquidity factor take precedence. During the monetary policy, the Reserve Bank of India (RBI) halted the G-SAP programme while saying it would increase the quantum of VRRR auctions to Rs6 lakh crore by December. The central bank last week conducted an 8-day Variable Rate Reverse Repo auction in which the cut-off yield came in at 3.9 per cent.
<https://www.thehindubusinessline.com/money-and-banking/bond-yields-trend-higher-despite-softer-inflation/article37038478.ece>
- **Outward remittances under LRS rose 31%:** Outward remittances under the Liberalised Remittance Scheme (LRS) for individuals rose about 31 per cent year-on-year (yoy) in July 2021 to \$1.31 billion,



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mainly on the back of increase in expenses towards studies and travel, according to Reserve Bank of India (RBI) data. The remittances were \$995.16 million in the year ago period.

<https://www.thehindubusinessline.com/money-and-banking/outward-remittances-under-lrs-rose-31/article37040956.ece>

- **Life insurance sees good growth, claims fall post second wave:** The life insurance industry is slowly coming back to normal after facing a high claim burden in the first five months of the current fiscal following the second wave of the Covid-19 pandemic. "The industry is doing well. With every passing month, business is improving. Private sector life insurance companies are doing well and public sector bank-led banca companies are doing especially well," said Rushabh Gandhi, Deputy CEO, IndiaFirst Life Insurance.
<https://www.thehindubusinessline.com/money-and-banking/life-insurance-sees-good-growth-claims-fall-post-second-wave/article37037732.ece>
- **FPIs turn net sellers in capital markets in Oct so far, pull out net Rs 1,472 crore:** Foreign portfolio investors (FPI) have turned net sellers in the capital markets in October so far, reversing the trend of net investments in the previous two months, due to depreciation in the rupee and global factors, experts said. According to the depositories' data, FPIs have pulled out Rs 1,472 crore from capital markets on a net basis in the current month so far. A trend reversal was witnessed in the debt segment in October from the big buying in the previous two months when FPIs had invested Rs 13,363 crore in September and Rs 14,376.2 crore in August. In October so far, they pulled out Rs 1,698 crore. "This trend reversal in debt investment is due to the INR depreciation in October," said VK Vijayakumar, chief investment strategist at Geojit Financial Services.
<https://economictimes.indiatimes.com/markets/stocks/news/fpis-turn-net-sellers-in-capital-markets-in-oct-so-far-pull-out-net-rs-1472-cr/articleshow/87077973.cms>
- **Gold ETFs attract Rs 446 crore in September:** Gold exchange-traded funds (ETFs) attracted Rs 446 crore in September and inflow may continue in coming months due to strong demand on the back of festival season in the country. The was sharply higher than the net inflow of ₹24 crore recorded in the previous month. In July, the category saw a net withdrawal of ₹61.5 crore, data with the Association of Mutual Funds in India (Amfi) showed. With this, gold ETF category has received a net inflow of ₹3,515 crore so far. The segment witnessed just one month of net outflows, which was in July.
<https://www.thehindubusinessline.com/markets/stock-markets/gold-etfs-attract-rs-446-crore-in-september/article37035158.ece>
- **Mcap of eight of top-10 most valued firms jump over ₹ 1.52 lakh crore:** Eight of the top-10 most valued companies together added ₹ 1,52,355.03 crore in market valuation last week, with HDFC Bank and State Bank of India emerging as the biggest gainers. Last week, the BSE benchmark Sensex rallied 1,246.89 points or 2.07 per cent. The benchmark went past the 61,000-mark for the first time ever on Thursday. Leading the gainers' chart, HDFC Bank's valuation jumped ₹ 46,348.47 crore to ₹ 9,33,559.01 crore.
<https://www.thehindubusinessline.com/markets/stock-markets/mcap-of-eight-of-top-10-most-valued-firms-jump-over-152-lakh-crore/article37035750.ece>



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