



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

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- **Govt may not infuse capital into state-run banks in FY23:** The government may not allocate funds towards bank capitalisation in the FY23 budget, a first in a decade. This comes as all state-run banks have turned profitable and the newly set up bad bank is expected to help free up capital for lenders. In FY22 budget, the government had set aside Rs 20,000 crore for bank capitalisation. "We do not foresee any capital requirement for lenders going forward. They all have plans to raise capital from the markets," said a government official, adding that this year allocation will be done by the end of March.  
<https://economictimes.indiatimes.com/industry/banking/finance/banking/govt-may-not-infuse-capital-into-state-run-banks-in-fy23/articleshow/87264885.cms>
- **CCI approves HDFC Bank's acquisition of 4.99 pc stake in HDFC ERGO General Insurance Co:** Fair trade regulator CCI on Monday approved HDFC Bank's acquisition of 4.99 per cent shareholding in HDFC ERGO General Insurance Company. In June, HDFC Bank had said its board has given approval to buy more than 3.55 crore shares in group firm HDFC ERGO General Insurance Company for over Rs 1,906 crore from the parent company Housing Development Finance Corporation (HDFC). HDFC is the promoter and related party of the bank. "Commission approves acquisition of 4.99% of the outstanding equity share capital of HDFC ERGO General Insurance Company by HDFC Bank," as per a tweet by CCI.  
<https://www.zeebiz.com/market-news/news-cci-approves-hdfc-banks-acquisition-of-499-pc-stake-in-hdfc-ergo-general-insurance-company-168825>
- **Future Generali India Insurance enters into bancassurance tie-up with Bank of India:** Private sector general insurer Future Generali India Insurance (FGII) has entered into a bancassurance tie-up with the Bank of India (BoI) for further penetration of its general insurance products. "Through this alliance, FGII will offer its wide array of best-in-class and innovative insurance solutions to 5,084 BoI branches spread across 28 States and 8 Union Territories," it said in a statement on Monday. "We are delighted with the opportunity to reach out to seven crore BoI customers. We look forward to a long-term symbiotic relationship," said Anup Rau, Managing Director and CEO, FGII. The insurer has forged 15 alliances with public and private banks to enhance its distribution footprint to date.  
<https://www.thehindubusinessline.com/money-and-banking/future-general-India-insurance-enters-into-bancassurance-tie-up-with-bank-of-india/article37158656.ece>
- **CSB Bank's Q2 net profit up 72% at Rs 119 cr, NIM improves to 5.22%:** Canadian billionaire Prem Watsa-controlled CSB Bank reported a 72% increase in net profit led by higher net interest income (NII), higher fee income, and also a write-back in provisions as slippages fell and recoveries improved. Net profit increased to Rs 119 crore in the second quarter ended September 2021 from Rs 69 crore a year earlier led by a 21% increase in NII to Rs 278 crore mainly due to a fall in interest expenses as cost



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of deposits fell to 4.30% from 5.18% a year earlier. Net interest margin (NIM) or the difference between the yield paid on deposits and that earned on loans improved to 5.22% from 4.48% a year earlier.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/csb-banks-q2-net-profit-up-72-at-rs-119-cr-nim-improves-to-5-22/articleshow/87257804.cms>

- **RBI gov advises auditors to be more vigilant and tech savvy:** Reserve Bank of India governor Shaktikanta Das advised the auditors to be more vigilant , tech savvy and adopt a holistic approach while auditing entities and checking on their smart accounting practices. Of late the regulator has found many instances of malpractices where the auditor could step in and help in strengthening financial stability. The governor highlighted the of audit in checking the so called smart accounting practices followed by management to overstate profits or understate expenses and liabilities. " Of late, several instances of related party transactions without following 'arms-length' principle and established transfer pricing mechanism have been observed".  
<https://economictimes.indiatimes.com/news/economy/policy/rbi-guv-advises-auditors-to-be-more-vigilant-and-tech-savvy/articleshow/87254270.cms>
- **ICICI Bank overtakes HUL in m-cap to occupy 5th spot:** Private sector lender ICICI Bank on Monday crossed the market capitalisation of Hindustan Unilever to become the fifth largest company by market value. According to BSE data, ICICI Bank's market capitalisation (m-cap) stood at ₹5.83 lakh crore, just above HUL's ₹5.76 lakh crore. This follows the bank posting its highest ever quarterly net profit in the July to September 2021 quarter. The bank's scrip touched a 52-week high of ₹859.70 on the BSE on Monday before ending at ₹841.05, registering a gain of 10.8 per cent over the previous day's close.  
<https://www.thehindubusinessline.com/money-and-banking/icici-bank-overtakes-hul-in-m-cap-to-occupy-5th-spot/article37164880.ece>
- **BPCL disinvestment: Top India asset sale delayed as suitors strive for partners:** India's plan to privatise Bharat Petroleum Corp. has run into rough weather with bidders struggling to find partners and spread their financial risks, according to people familiar with the matter. The three suitors -- the Vedanta group, Apollo Global Management and I Squared Capital -- are talking to global energy giants and sovereign and pension funds, but haven't been able to finalize partners, the people said, asking not to be identified as the deliberations are private. Some bidders are finding it difficult to invest due to sustainability rules that make it tougher for them to buy a stake in an oil refiner, some of the people said.  
<https://economictimes.indiatimes.com/news/economy/finance/bpcl-disinvestment-top-india-asset-sale-delayed-as-suitors-strive-for-partners/articleshow/87257447.cms>
- **FSS Business Support Suite enables Philippines' BancNet to maximise billing and settlement efficiencies:** Integrated payment products and a payments processor provider, FSS (Financial Software and Systems) on Monday announced that its Business Support Suite enables BancNet, the Philippines ATM switch operator. BancNet is a consortium of 124 members comprising banks, cooperatives, electronic money issuers, affiliate switch networks and independent ATM deployers in the Philippines.



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The company said it has a 31-year track record of building digital payments infrastructure and currently operates a network that spans more than 22,000 ATMs and 400,000 POS terminals.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/fss-business-support-suite-enables-philippines-bancnet-to-maximise-billing-and-settlement-efficiencies/articleshow/87255027.cms>

- **Fintech platform Groww raises \$251 m in Series-E funding:** Fintech platform Groww has raised \$251 million at a valuation of \$3 billion, led by ICONIQ Growth. The current round also saw participation from investors like Alkeon, Lone Pine Capital and Steadfast. Groww's existing investors Sequoia Capital, Ribbit Capital, YC Continuity, Tiger Global and Propel Venture Partners also participated in the round.  
<https://www.thehindubusinessline.com/money-and-banking/fintech-platform-groww-raises-251-m-in-series-e-funding/article37158976.ece>
- **BharatPe raises ₹100 crore in debt from MAS Financial Services:** Fintech firm BharatPe has raised ₹100 crore in debt from MAS Financial Services. "This is the eighth round of debt fund raise for the company in 2021. BharatPe has raised a total of over ₹ 600 crore in debt at competitive rates, this calendar year," it said in a statement on Monday. "Our recent debt raises will give us the raw material to build our merchant lending vertical more aggressively. BharatPe is one of the largest B2B fintech lenders in India today, facilitating loan disbursements of over ₹300 crore to offline merchants every month," said Suhail Sameer, Chief Executive Officer, BharatPe.  
<https://www.thehindubusinessline.com/companies/bharatpe-raises-100-crore-in-debt-from-mas-financial-services/article37158144.ece>
- **ICICI Bank shares zoom 11% after record Q2 profit; m-cap jumps Rs 57k cr:** Shares of ICICI Bank on Monday jumped over 11 per cent after the company reported its highest ever quarterly profit on standalone basis at Rs 5,511 crore in the September quarter. The stock jumped 10.80 per cent to close at Rs 841.05 on BSE. During the day, it zoomed 13.25 per cent to its record high of Rs 859.70. On NSE, it gained 11.51 per cent to settle at Rs 846.75. The company's market valuation rallied by Rs 56,959.85 crore to Rs 5,83,350.85 on BSE. ICICI Bank was the biggest gainer in the Sensex pack.  
[https://www.business-standard.com/article/finance/icici-bank-shares-zoom-11-after-record-q2-profit-m-cap-jumps-rs-57k-cr-121102501081\\_1.html](https://www.business-standard.com/article/finance/icici-bank-shares-zoom-11-after-record-q2-profit-m-cap-jumps-rs-57k-cr-121102501081_1.html)
- **Centrum-Bharatpe JV small finance bank to begin operations shortly:** The first branch of Unity Small Finance Bank, the joint venture between Centrum Group and Bharatpe, will be up and running shortly from the city with Rs 1,500 crore growth capital and a Rs 1,300-crore loan book, according to a top official of one of the promoter groups. On October 12, the Reserve Bank gave the final licence to Unity Small Finance Bank, a consortium floated by Centrum Financial Services and Resilient Innovations, an arm of the digital lending platform Bharatpe, four months after giving it an in-principle nod to establish a small finance bank and then takeover the scam-ridden Punjab and Maharashtra Cooperative (PMC) Bank, which was under direct RBI control since mid 2019.  
[https://www.business-standard.com/article/finance/centrum-bharatpe-jv-small-finance-bank-to-begin-operations-shortly-121102501256\\_1.html](https://www.business-standard.com/article/finance/centrum-bharatpe-jv-small-finance-bank-to-begin-operations-shortly-121102501256_1.html)



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- **BFSI Insight Summit: It's advantage financial sector, say CEOs of top NBFCs:** The next few decades should see rapid growth in the financial sector, where banks, non-banking financial companies (NBFC) and financial technology firms collaborate with each other to deliver essential financial products to India's vast under-penetrated and under-banked population. The pie is large and ready to accommodate all, that it may even take half a century to reach a saturation point when firms can seriously worry about competition, chief of country's top NBFCs, including housing finance firms, deliberated on the day three of the Business Standard's BFSI Insight Summit.  
[https://www.business-standard.com/article/finance/bfsi-insight-summit-it-s-advantage-financial-sector-say-ceos-of-top-nbfc-121102501429\\_1.html](https://www.business-standard.com/article/finance/bfsi-insight-summit-it-s-advantage-financial-sector-say-ceos-of-top-nbfc-121102501429_1.html)
- **Centre aims to privatise 13 airports by March, list sent to aviation ministry:** The government plans to complete the privatisation process for 13 airports run by the state-owned Airports Authority of India (AAI) by the end of this fiscal year. "We have sent a list of 13 airports to the aviation ministry that are to be bid out on PPP (public-private partnership). The plan is to complete the bidding of these airports by the end of this fiscal," AAI chairman Sanjeev Kumar told ET in an interview.  
<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/centre-aims-to-privatise-13-airports-by-march-list-sent-to-aviation-ministry/articleshow/87267463.cms>
- **Gold loans turn fastest-growing segment as banks lean on safety:** Gold loans have become the fastest-growing major loan segment for banks in a year when the persisting pains of the pandemic have led lenders to look for low-risk growth. Outstanding loans against gold jewellery stood at Rs 62,926 crore as on August 27, 66% higher on a year-on-year (y-o-y) basis, as per sectoral data put out by the Reserve Bank of India (RBI). Lending against gold has been seen as the safest form of retail lending, at par with housing loans. In the last few years, public sector banks, too, have made an aggressive push in the segment in order to grow their retail books securely.  
<https://www.financialexpress.com/industry/banking-finance/gold-loans-turn-fastest-growing-segment-as-banks-lean-on-safety/2356056/>
- **Gold prices back above Rs 48,000 on safe-haven billing, rupee slips; silver up Rs 359:** Gold prices soared Rs 337 to Rs 48,142 for 10 gram in the Mumbai bullion market, tracking a positive overseas trend and a sharp fall in the rupee. The precious metal reclaimed \$1,800 an oz on safe-haven appeal as the 10-year US treasury yields fell 1.65 percent and rising cases of coronavirus in China and curb in Europe and Russia. The price of 10 gram 22-carat gold in Mumbai was Rs 44,098 plus 3 percent GST, while 24-carat 10 gram stood at Rs 48,142 plus GST. The 18-carat gold quoted at Rs 36,107 plus GST in the retail market. Silver prices surged by Rs 359 to Rs 65,653 per kg against its closing price on October 22.  
<https://www.moneycontrol.com/news/business/commodities/gold-prices-back-above-rs-48000-on-safe-haven-billing-rupee-slips-silver-up-rs-359-7624081.html>
- **Sensex ends 145 points higher, Nifty above 18,100 amid volatility:** The BSE Sensex closed at 60,967.05, up 145.43 points or 0.24 per cent. It hit an intraday high of 61,404.99 and a low of 60,449.68. The Nifty 50 closed at 18,125.40, up 10.50 points or 0.06 per cent. It hit an intraday high of 18,241.40 and a low of 17,968.50. ICICI Bank, Axis Bank, ONGC, Tech Mahindra and JSW Steel were



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the top gainers on the Nifty 50, while BPCL, Bajaj Finserv, SBI Life, Bajaj Auto and Tata Motors were the top laggards.

<https://www.thehindubusinessline.com/markets/stock-markets/sensex-ends-145-points-higher-nifty-above-18100-amid-volatility/article37162557.ece>

- **Rupee slips 14 paise to 75.04 against USD in early trade:** The Indian rupee depreciated 14 paise to 75.04 against the US dollar in opening trade on Monday, weighed down firm crude oil prices and a muted trend in domestic equities. At the interbank foreign exchange, the rupee opened on a weak note at 74.98, then fell further to 75.04, registering a decline of 14 paise from the last close.  
<https://www.thehindubusinessline.com/markets/forex/rupee-slips-14-paise-to-7504-against-usd-in-early-trade/article37157408.ece>

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