



**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 27, 2021

- **Banks must turn to markets for money, says Nirmala Sitharaman:** Banks should raise funds from markets for their growth rather than depend on the government for recapitalization, Finance Minister Nirmala Sitharaman said. The minister was addressing the annual general meeting of Indian Banks' Association on Sunday. "Banks are today less burdened because books are cleaner," the finance minister said. "As a result they will be able to go and raise money from markets. I have absolute self-interest in pressing this particular aspect because I would think burden on government to recapitalize you will be far lesser." Sitharaman said the country will need four or five large lenders such as the State Bank of India to meet the challenges of economy and industry.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/many-districts-lack-banking-presence-despite-high-level-of-economic-activities-says-sitharaman/articleshow/86525987.cms>
- **HDFC Bank to double rural reach to 2 lakh villages in two years:** Private lender HDFC Bank aims to cover a third of India's villages, by expanding its reach to two lakh villages in the next 18-24 months. Currently the bank covers 1 lakh villages. The bank plans this expansion through a combination of branch network, business correspondents, business facilitators, and digital outreach platforms. "India's rural and semi-urban markets are under-served in credit extension," said Rahul Shukla, Group Head – Commercial and Rural Banking, HDFC Bank. "They present sustainable long-term growth opportunities for the Indian banking system. Going forward we dream of making ourselves accessible in every pin code."
<https://economictimes.indiatimes.com/small-biz/sme-sector/hdfc-bank-to-double-its-rural-reach-to-2-lakh-villages-in-two-years/articleshow/86525388.cms>
- **IBA should push up efforts to deepen banking presence: FM:** Union Finance Minister Nirmala Sitharaman on Sunday appealed to banks to reach the nook and corner of the country which have high level of economic activity but continue to lack banking services. Addressing banking industry lobby grouping Indian Banks Association, Sitharaman asked lenders to push up efforts of deepening presence. "Even today many panchayats don't have a bank branch, I am not saying that you need to have a physical presence everywhere, digitisation has saved a lot of costs without compromising the service banks provide," the minister said.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/iba-should-push-up-efforts-to-deepen-banking-presence-fm/articleshow/86527653.cms?from=mdr>
- **India needs 4-5 'SBI size' banks to meet growing needs of economy: FM Nirmala Sitharaman:** India needs 4-5 "SBI size" banks to meet the growing needs of the economy and industry, Finance Minister Nirmala Sitharaman said on Sunday. Addressing the 74th Annual General Meeting of the Indian Banks' Association (IBA), she said the industry needs to imagine how Indian banking has to be in the



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immediate and long-term future. As far as the long-term future is concerned, she said it is going to be largely driven by digitised processes and there is a need for seamless and interconnected digital systems for a sustainable future for the Indian banking industry.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/india-needs-4-5-sbi-size-banks-to-meet-growing-needs-of-economy-fm-nirmala-sitharaman/articleshow/86529597.cms>

- **Many districts lack bank branches despite high economic activity: FM:** Union Finance Minister Nirmala Sitharaman on Sunday said despite the huge thrust on financial inclusion and high economic activity, there are districts in the country not having any banking presence at all. She asked the lenders to get their act together and open either a full-fledged brick-and-mortar branch or an outpost rendering banking services, wondering how banking presence eludes even pockets which have high economic activity.
https://www.business-standard.com/article/finance/many-districts-lack-bank-branches-despite-high-economic-activity-fm-121092600588_1.html
- **DIPAM shortlists Cyril Amarchand Mangaldas as legal advisor for LIC IPO:** An official has said that the Government has shortlisted Cyril Amarchand Mangaldas for giving legal advice on upcoming mega initial public offering (IPO) of India's largest insurance company Life Insurance Corporation (LIC). Four law firms — Crawford Bayley, Cyril Amarchand Mangaldas, Link Legal and Shardul Amarchand Mangaldas & Co — had made presentations before the Department of Investment and Public Asset Management (DIPAM) on September 24.
<https://www.moneycontrol.com/news/business/ipo/dipam-shortlists-cyril-amarchand-mangaldas-as-legal-advisor-for-lic-ipo-7509871.html>
- **Monetary policy tightening by RBI is several quarters away: Former Dy Guv R Gandhi:** The Reserve Bank of India (RBI) is expected to continue with its current accommodative stance to maintain sufficient liquidity in the system and monetary policy tightening is several quarters away as the economic revival has not reached the pre-Covid level, the apex bank's former deputy governor R Gandhi claimed. He said the low-interest rate regime will continue to support the economic activities. "In my assessment, normalisation or monetary policy tightening in India is several quarters away. Definitely, not in the current fiscal. Economy is reviving but we have not reached the absolute pre-Covid level of 2019-20," Gandhi said at an event organised by the Bengal Chamber of Commerce and Industry on Friday. "RBI will do (monetary policy tightening) when the economy will be growing sustainably," he said.
<https://www.moneycontrol.com/news/business/monetary-policy-tightening-by-rbi-is-several-quarters-away-former-dy-guv-r-gandhi-7510321.html>
- **Now, PFRDA opens doors for more custodians to enter pension space:** Pension regulator PFRDA has now paved the way for more players to offer custodial services in the domestic pension market. It has now amended its existing 2015 'Custodian of Securities' regulations, relaxing the entry norms specified earlier. The relaxation has altered an earlier stipulation requiring a pension fund or its sponsor, trustee bank or a Central record-keeping agency, to hold directly or indirectly not more than 50 per cent shareholding in the custodian.



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<https://www.thehindubusinessline.com/money-and-banking/now-pfrda-opens-doors-for-more-custodians-to-enter-pension-space/article36654439.ece>

- **As China bans cryptocurrencies, Indian exchanges 'feel the heat':** China's blanket ban on crypto mining and transactions resulted in a 9.26 per cent fall in the global cryptocurrency market capitalisation on Sunday and a 29.8 per cent decrease in trading volume. Indian crypto trading ecosystem, too, witnessed a slowdown in trading volume by about 30 per cent. For example, CoinSwitch Kuber saw its total crypto transactions over the weekend plunge by nearly 30 per cent, while there was a 50 per cent decrease in the volume of transactions compared to the average monthly trade volume.
<https://www.thehindubusinessline.com/money-and-banking/as-china-bans-cryptocurrencies-indian-exchanges-feel-the-heat/article36683887.ece>
- **FM Sitharaman thanks IBA for coming up with NARCL, says it is not a 'bad bank':** Union Finance Minister Nirmala Sitharaman on Sunday said National Asset Reconstruction Company Ltd (NARCL) is not a "bad bank", as is the case in the United States, because it is purely bank driven. "It's a formulation which has saved us from imitating something which we were all averse to, at least for its name. This is not a 'Bad Bank.' It is fine for US to have a 'Bad Bank', and eventually we might do the same thing, but because it is bank driven, we will not call it the same," Sitharaman said.
<https://www.livemint.com/industry/banking/fm-sitharaman-thanks-iba-for-coming-up-with-narcl-says-it-is-not-a-bad-bank-11632642633013.html>
- **Sitharaman's address highlights: 'Banks should tell customers about portfolios, offerings 24x7,' says FM:** Union Finance Minister Nirmala Sitharaman on Sunday addressed the 74th Annual General Meeting of the Indian Banks' Association (IBA) in Mumbai. The FM spoke about a slew of issues regarding the banking sector. She said the economy is in a critical stage and banks are the backbone. "I wish IBA rises to this occasion and provides India the best of financial services," she added.
<https://www.livemint.com/industry/banking/sitharamans-iba-agm-address-highlights-banks-should-tell-customers-about-portfolios-offerings-24x7-says-fm-11632643106658.html>
- **Rupee Coop Bank depositors oppose DICGC decision to pay Rs 5 lakh to account holders of stressed coop banks:** A group of people claiming to represent the interests of account holders and depositors of Rupee Cooperative Bank has opposed the decision taken by the Deposit Insurance and Credit Guarantee Corporation (DICGC) to pay depositors of 21 stressed cooperative banks a sum of Rs 5 lakh within 90 days. The DICGC has said that, following the amendment of the DICGC Act, it will make payments to depositors within 90 days. Besides PMC, the large banks include Rupee Cooperative Bank, Kapol Cooperative Bank, Maratha Coop Bank, and City Coop Ban, all from Maharashtra. Depositors in these banks have been waiting for years for their money. RBI had placed the banks under its all-inclusive directions, which included restrictions on withdrawal of deposits.
<https://www.financialexpress.com/industry/banking-finance/rupee-coop-bank-depositors-oppose-dicgc-decision-to-pay-rs-5-lakh-to-account-holders-of-stressed-coop-banks/2337802/>



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- **Primary agriculture cooperative societies to get larger role in running farm schemes: Amit Shah:** Union home minister Amit Shah, who also holds the cooperation portfolio, on Saturday said that the Centre will soon unveil a new cooperative policy that will entrust the primary agriculture cooperative societies (PACS) with the task of implementing various government schemes in the farm sector. The government is also planning to facilitate the creation of more PACS so that one such entity is present in every two villages.
<https://www.financialexpress.com/industry/banking-finance/primary-agriculture-cooperative-societies-to-get-larger-role-in-running-farm-schemes-amit-shah/2337818/>
- **ICICI Pru Life in discussion for onboarding Account Aggregator system: Official:** ICICI Prudential Life Insurance Company Ltd (ICICI Pru Life) is in discussion for onboarding the Account Aggregator system, a financial data sharing platform to be regulated by the Reserve Bank. Earlier this month, the government unveiled the Account Aggregator (AA) network to allow sharing of financial data of individuals, which can be used by various financial services providers such as banks, insurers, fintech companies. "We really look forward to that. We have been in discussion for onboarding on that platform. What the system can really do is that it will digitise the whole journey (of data collection)...today if I have to ask a customer, I will have to ask for his bank statement, income tax statement among others.
https://www.business-standard.com/article/companies/icici-pru-in-discussion-for-onboarding-account-aggregator-system-official-121092600194_1.html
- **'Sensex can double by 2027, but in near term 5-10% correction can't be ruled out':** Atish Matlawala, Senior Analyst at SSJ Finance & Securities believes the market will remain bullish over the longer time frame due to various policy measures taken by the government. "But we need not rule out correction of 5-10 percent in the shorter term," he said in an interview to Moneycontrol's Sunil Shankar Matkar. We can see considerable upside over the next four years but looking at expensive valuations, we do not believe it can become double by 2025 but of course we believe it can double by 2027.
<https://www.moneycontrol.com/news/business/markets/sensex-can-double-by-2027-but-in-near-term-5-10-correction-cant-be-ruled-out-7505691.html>

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