



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

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- **IndBank Q2 net up 164% to Rs 1,089 cr on surge in other income, recoveries:** State-run lender Indian Bank has posted a 164 per cent rise in net profit for the second quarter of the financial year ended September 2021 to Rs 1,089 crore as against Rs 412 crore during the same time last financial year. The bank's net interest income declined marginally by about one per cent in Q2FY22 to Rs 4,084 crore from Rs 4,144 crore in Q2FY21. The Chennai-based bank's net interest margin (NIM) (Domestic) was 2.89 per cent for Q2FY22 as against 3.06 per cent for Q2FY21. Operating profit during the quarter under review was Rs 3,276 crore, as against Rs 2,942 crore a year ago. "The increase in net profit is mainly due to a rise in other income and improved cash recovery," said Shanti Lal Jain, managing director and chief executive officer of Indian Bank.
https://www.business-standard.com/article/companies/indbank-q2-net-up-164-to-rs-1-089-cr-on-surge-in-other-income-recoveries-121102801245_1.html
- **Uco Bank Q2 results: Profit surges 7-fold to Rs 205 crore:** State-owned Uco Bank reported a near seven-fold jump in net profit for the September quarter, riding on higher interest income and write-back of provisions made earlier. Its net profit stood at Rs 205.4 crore as against Rs 30.1 crore in the year-ago period. Net interest income (NIM), a key parameter of profitability, remained flat at 2.79% for the quarter under review, despite lower lending rates. "We expect NIM to be at 3% or more in the near future," managing director AK Goel said. He said the lower cost of funds, better collection efficiency from stressed accounts as well as higher credit growth would help in the improvement of NIM. We expect advances to grow around 10% for the full year, Goel added.
<https://economictimes.indiatimes.com/markets/stocks/earnings/uco-bank-q2-results-profit-surges-7-fold-to-rs-205-crore/articleshow/87338908.cms>
- **Delhi High Court asks RBI, SBI to respond to plea to revoke prohibition on use of UPI for cryptocurrency exchange:** The Delhi High Court Thursday sought the response of the Reserve Bank of India and State Bank of India on a plea seeking to direct the authorities to revoke the prohibition on the use of UPI platform in dealing and settling funds in the cryptocurrency exchange, WazirX. A bench of Chief Justice D N Patel and Justice Jyoti Singh issued notice to SBI, RBI, National Payments Corporation of India, and the Department of Financial Services and asked them to respond to the petition. The court listed the matter for further hearing on December 24. Petitioner Arnav Gulati, a law student, said he along with numerous account holders of SBI and registered users of cryptocurrency exchange, WazirX is aggrieved by the actions of the authorities which infringes his fundamental right of trade under Article 19(1)(g) and the right to equality under Article 14 of the Constitution.
<https://www.5paisa.com/newsfeed/delhi-high-court-asks-rbi-sbi-to-respond-to-plea-to-revoke-prohibition-on-use-of-upi-for-cryptocurrency-exchange/NDlyMA==>



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- **Kotak Bank, NPCI tie up to launch credit card for armed forces on RuPay network:** Kotak Mahindra Bank on Thursday said it has partnered with National Payments Corporation of India (NPCI) to launch credit cards on the RuPay network for Indian armed forces personnel. "The Kotak RuPay Veer Platinum and Kotak RuPay Veer Select Credit Cards are specially designed to fulfil the needs of those who have dedicated themselves to the service of the nation, i.e. the armed forces of the country – Army, Navy, and Air Force," the bank said in its statement.
<https://www.livemint.com/industry/banking/kotak-bank-npci-tie-up-to-launch-credit-card-for-armed-forces-on-rupay-network-11635413437062.html>
- **Jana Small Finance Bank appoints former IRDAI chairman, Subhash Khuntia as part-time chairman:** In a move to strengthen the Board and support the firm through the next phase of growth, Jana Small Finance Bank Limited today announced the appointment of Dr Subhash C Khuntia as the part-time Chairman. A 1981-batch Indian Administrative Services (IAS) officer, Dr Khuntia has earlier worked as Chief Secretary to Government of Karnataka, Secretary to Government of India, Department of School Education, and was the Chairman of Insurance Regulatory and Development Authority of India (IRDAI).
<https://www.livemint.com/industry/banking/jana-small-finance-bank-appoints-former-irdai-chairman-subhash-khuntia-as-part-time-chairman-11635403637635.html>
- **AU Small Finance Bank Q2 profit falls to Rs 279 crore:** AU Small Finance Bank on Thursday reported 13 per cent decline in net profit at Rs 279 crore for September quarter 2021-22 due to rise in bad loans. The lender had posted a net profit of Rs 322 crore for the year-ago period. However, the bank said the net profit was up 42 per cent year-on-year after excluding the profit earned from stake sale in Aavas Financiers. There was a gain of Rs 144 crore due to stake sale in Aavas in second quarter of 2020-21 and overall gain was of Rs 172 crore in first half of that fiscal year.
<https://www.moneycontrol.com/news/business/earnings/au-small-finance-bank-q2-profit-falls-to-rs-279-crore-7646441.html>
- **More than 80% Indians support RBI move to stop auto debit: LocalCircles survey:** Even as many multinationals and tech start-ups cry foul over the Reserve Bank of India's (RBI) move to stop the auto debit rule, many customers seem to have given it a thumbs up. 83% of Indian consumers who paid for apps on Google Playstore, Apple App store and Windows Store support RBI to mandate OTP-based authentication for all app purchases and renewals, a LocalCircles survey said. RBI has stopped automatic recurring payments for all services offered by various companies such as Amazon, Netflix or several applications or apps. This would mean that money cannot be directly debited from a customer's credit card or bank account without his permission.
<https://economictimes.indiatimes.com/industry/banking/finance/banking/more-than-80-indians-support-rbi-move-to-stop-auto-debit-localcircles-survey/articleshow/87314836.cms>
- **RBL Bank Q2 net profit down 78.6%:** Private sector lender RBL Bank reported a 78.6 per cent drop in its standalone net profit for the second quarter of the fiscal on the back of higher provisions and lower interest income. For the quarter ended September 30, 2021, the bank reported standalone net profit



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of ₹ 30.8 crore as against ₹144.16 crore in the same period last fiscal. Its net interest income fell by two per cent on a year on year basis to ₹915 crore in the July to September 2021 quarter from ₹932 crore a year ago. Net interest margin was also lower at 4.06 per cent as on September 30, 2021 from 4.34 per cent a year ago.

<https://www.thehindubusinessline.com/money-and-banking/rbl-bank-q2-net-profit-down-786/article37214336.ece>

- **Karnataka Bank Q2 net up 5 per cent:** Karnataka Bank registered a 5.17 per cent rise in its second quarter net profit at ₹125.61 crore as against a net profit of ₹119.44 crore in the corresponding period of 2020-21. Net interest income increased 10.83 per cent to ₹637.10 crore in Q2 as against ₹574.87 crore in the same period last fiscal. Fee-based income stood at ₹164.37 crore (₹121.46 crore). Speaking to BusinessLine, Mahabaleshwara MS, Managing Director and Chief Executive Officer of the bank, said these factors indicate that there is significant improvement in the core business.
<https://www.thehindubusinessline.com/money-and-banking/karnataka-bank-q2-net-up-5-per-cent/article37214360.ece>
- **Mobile payments growing faster than card payments:** Mobile payments in India are now growing faster than card payments as more consumers and businesses adopt digital payments amidst the pandemic, said the 2021 India Mobile Payments Market Report. According to the report, payments made via apps that bypass credit card rails rose 67 per cent to \$478 billion in 2020. They are clocking more than \$1 trillion in annualised value in 2021. “Payments handled by mobile devices are soaring in India, driven by the popularity of bank accounts as an in-app payment method,” said the report published by S&P Global Market Intelligence’s Financial Institutions Research team, adding that it expects mobile payments to continue to grow faster than cards due to growing consumer preference to use smartphones to pay.
<https://www.thehindubusinessline.com/money-and-banking/mobile-payments-growing-faster-than-card-payments/article37213615.ece>
- **Avanti Finance completes Series A and debt funding round, raises ₹306 crore:** Technology led NBFC Avanti Finance has further raised \$15 million or about ₹111 crore in Series A2 from existing investors Oikocredit, Nomura, The Bill & Melinda Gates Foundation and Dr KR Shroff Foundation. With this, it has completed their Series A and debt funding round, which raised a total of \$41 million or ₹306 crore. “Avanti will use the funds to strengthen its deep tech platform, bolster data science, enhance its product suite and expand the team to enable unparalleled access to affordable credit and financial empowerment to millions of unserved and underserved households in India,” it said in a statement.
<https://www.thehindubusinessline.com/companies/avanti-finance-completes-series-a-and-debt-funding-round-raises-306-crore/article37205270.ece>
- **Mahindra & Mahindra Financial Services Q2 net profit up at ₹1,103 crore:** Mahindra & Mahindra Financial Services consolidated net profit surged by 212.9 per cent to ₹1,102.94 crore in the second quarter of the fiscal. Its net profit was ₹352.51 crore in the same period last fiscal. However, its total income declined by four per cent to ₹2,951 crore during the quarter ended September 30, 2021, as against ₹3,071 crore during the corresponding quarter last year. “During the quarter, the company



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increased its shareholding in Ideal Finance Limited (IFL), Sri Lanka from 38.2 per cent to 58.2 per cent. IFL is now a subsidiary of the company. This stake increase has resulted in revaluation of existing equity stake in IFL, which led to a one-time revaluation gain of Rs 21 crore, which is shown as exceptional item in the second quarter 2021-22 consolidated financials," Mahindra Finance said in a statement on Thursday.

[https://www.business-standard.com/article/companies/mahindra-finance-q2-net-jumps-over-three-fold-to-rs-1-103-crore-121102801746_1.html#:~:text=Mahindra%20%26%20Mahindra%20Financial%20Services%20\(Mahindra,and%20reversal%20of%20impairment%20cost.](https://www.business-standard.com/article/companies/mahindra-finance-q2-net-jumps-over-three-fold-to-rs-1-103-crore-121102801746_1.html#:~:text=Mahindra%20%26%20Mahindra%20Financial%20Services%20(Mahindra,and%20reversal%20of%20impairment%20cost.)

- **SBI Card net up 67% in Q2:** SBI Card, the country's largest pure play credit card issuer, on Thursday reported a 67 per cent increase in net profit for the quarter ended September 30 at ₹305 crore, up from ₹206 crore in the corresponding quarter last year.
<https://www.thehindubusinessline.com/money-and-banking/sbi-card-net-up-67-in-q2/article37211973.ece>
- **Unions in IDBI Bank request it be re-classified as PSB:** Four unions in IDBI Bank have written to the Finance Minister requesting that the proposed sale of their bank to private players by the government and LIC of India be stopped and the bank be re-classified as a public sector bank. This comes in the wake of the Department of Investment & Public Asset Management (DIPAM), on behalf of GoI, moving to engage legal advisor and transaction Advisor for facilitating/ assisting it in the process of strategic disinvestment of IDBI Bank along with transfer of management control. The four unions — All India IDBI Officers' Association, IDBI Officers' Organisation, All India IDBI Employees' Association and IDBI Karmachari Sangh — emphasised that all the staff had secured job in IDBI Bank through All India competitive exam.
<https://www.thehindubusinessline.com/money-and-banking/unions-in-idbi-bank-request-it-be-re-classified-as-psb/article37210326.ece>
- **PayU launches tokenisation solution:** PayU on Thursday launched its tokenisation solution 'PayU Token Hub', which will enable businesses to comply with RBI's latest guidelines on online card data storage whilst allowing issuing banks to also generate their own tokens. Built on PayU-owned Wibmo in part partnership with major card networks including Visa, MasterCard as well as with leading issuing banks, this solution offers both network tokens and issuer tokens under single hub.
<https://www.moneycontrol.com/news/business/payu-launches-tokenisation-solution-payu-token-hub-with-visa-mastercard-7641721.html>
- **'RBI should allow the rupee to appreciate':** Considering higher domestic inflation as supply disruptions mount, it will not do any harm for RBI to lean with the wind and let the rupee appreciate, as it can lead to reduced imported inflation when metal and oil prices are rising, and clear the liquidity overhang to some extent, according to Soumya Kanti Ghosh, Group Chief Economic Adviser, State Bank of India. "With CAD [current account deficit] at a comfortable situation and an extremely unlikely devastating third Covid (wave), the Indian rupee is going to handle any taper news with relative calm," Ghosh said in the latest edition of SBI's Ecwrap report.



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<https://www.thehindubusinessline.com/money-and-banking/rbi-should-allow-the-rupee-to-appreciate/article37206933.ece>

- **Shriram City Union Finance posts 10% growth in Q2 net profit:** Shriram City Union Finance has reported a 10 per cent year-on-year (y-o-y) increase in second-quarter standalone net profit at ₹282 crore, against ₹257 crore in the year-ago quarter. The board of directors of the non-banking financial company, whose product segments include small enterprise finance, two-wheeler loans, loan against gold and personal loans, among others, have declared an interim dividend of 100 per cent (₹10 per equity share of face value ₹10 fully paid) for the financial year 2021-22.
<https://www.thehindubusinessline.com/money-and-banking/shriram-city-union-finance-posts-10-growth-in-q2-net-profit/article37206098.ece>
- **S&P upgrades credit ratings of Manappuram Finance:** International rating agency S&P has upgraded the long term issuer credit rating of Manappuram Finance Limited from “B+” to “BB-” with stable outlook. The rating agency also affirmed the ‘B’ short-term issuer credit rating on the company. According to the Rating Rationale released by S&P, the gold-based lending business of the company has proved to be an effective counterbalance to weakness in India’s micro finance segment. Manappuram Finance is expected to continue to outperform its non-gold NBFC peers over the next 12 months in terms of asset quality and profitability, which would be reflected in the company’s lower credit costs, above-average profitability and strong capitalisation.
<https://www.thehindubusinessline.com/money-and-banking/sp-upgrades-credit-ratings-of-manappuram-finance/article37211404.ece>
- **‘RBI should allow the rupee to appreciate’:** Considering higher domestic inflation as supply disruptions mount, it will not do any harm for RBI to lean with the wind and let the rupee appreciate, as it can lead to reduced imported inflation when metal and oil prices are rising, and clear the liquidity overhang to some extent, according to Soumya Kanti Ghosh, Group Chief Economic Adviser, State Bank of India. "With CAD [current account deficit] at a comfortable situation and an extremely unlikely devastating third Covid (wave), the Indian rupee is going to handle any taper news with relative calm," Ghosh said in the latest edition of SBI's Ecowrap report.
<https://www.thehindubusinessline.com/money-and-banking/rbi-should-allow-the-rupee-to-appreciate/article37206933.ece>
- **Fed bankers face penalties for ethical breaches under senate proposal :** A group of Senate Democrats plans to introduce legislation that would penalize Federal Reserve officials who fail to adhere to a new ethics code made public by the central bank last week. The bill is co-sponsored by Senate Banking Committee Chairman Sherrod Brown of Ohio and Sens. Kirsten Gillibrand of New York, Jeff Merkley of Oregon and Raphael Warnock of Georgia.
<https://www.livemint.com/industry/banking/fed-bankers-face-penalties-for-ethical-breaches-under-senate-proposal-11635338960061.html>



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- **Crypto exchange WazirX disrupted by the rush to buy Shiba Inu coins:** A record-breaking rally and frantic trading in meme-themed crypto currency Shiba Inu has disrupted crypto exchange WazirX, which is headquartered in Mumbai. Shiba Inu has rallied more than 100 per cent in the past 24 hours on the back of a petition to get it listed on global stock trading brokerage platform Robinhood. Disruption hurts many people as WazirX has more than 9 million users, sources told Business Line.
<https://www.thehindubusinessline.com/money-and-banking/crypto-exchange-wazirx-disrupted-by-the-rush-to-buy-shiba-inu-coins/article37206682.ece>
- **RBI allows withdrawal from gold deposit schemes in case of death :** The Reserve Bank of India (RBI) on Thursday allowed premature withdrawal of deposits under gold monetisation scheme before the lock-in period, in case the original depositor died. Premature withdrawal from the scheme was allowed but not before the lock-in period of three and five years, depending upon the duration of the original scheme. However, in case the depositor dies, the family members can withdraw the deposits, foregoing some interest.
https://www.business-standard.com/article/finance/rbi-allows-withdrawal-from-gold-deposit-schemes-in-case-of-death-121102801597_1.html
- **Gold prices regain Rs 48,000/10 gm mark on safe-haven billing; silver up Rs 170 a kg:** Gold prices jumped by Rs 163 to Rs 48,066 for 10 grams in the Mumbai bullion market on safe-haven appeal amid a selloff in the equity market, firm global cues despite strength in the rupee. The yellow metal retested the \$1,800/oz level as tensions between the US and China rose, firm consumer demand and ECB Policy meet. The price of 10 gram 22-carat gold in Mumbai was Rs 44,028 plus 3 percent GST, while 24-carat 10 gram stood at Rs 48,066 plus GST. The 18-carat gold quoted at Rs 36,050 plus GST in the retail market. Silver prices advanced by Rs 170 to Rs 64,744 a kg against its closing price on October 27.
<https://www.moneycontrol.com/news/business/commodities/gold-prices-regain-rs-4800010-gm-mark-on-safe-haven-billing-silver-up-rs-170-a-kg-7643971.html>
- **Sensex slumps nearly 2 per cent, Nifty ends below 17,900 ahead of F&O expiry:** The BSE Sensex closed at 59,984.70, down 1158.63 points or 1.89 per cent. It hit an intraday high of 61,081.00 and a low of 59,777.58. The Nifty 50 closed at 17,857.25, down 353.70 points or 1.94 per cent. It recorded an intraday high of 18,190.70 and a low of 17,799.45. IndusInd Bank, L&T, Ultratech Cement, Asian Paints and Shree Cement were the top gainers on the Nifty 50 while Adani Ports, ITC, ONGC, Kotak Bank and ICICI Bank were the top losers.
<https://www.thehindubusinessline.com/markets/stock-markets/sensex-down-535-points-nifty-below-18100-on-across-the-board-selling/article37206836.ece>
- **Rupee gains 11 paise to end at 74.92 against US dollar:** The rupee gained 11 paise to close at 74.92 (provisional) against the US dollar on Thursday despite massive sell-offs in the domestic equity market as easing crude oil prices lent some support to the local currency. At the interbank forex market, the domestic unit opened at 74.92 against the greenback and witnessed an intra-day high of 74.76 and a low of 74.94 during the day's trade. It finally ended at 74.92 a dollar



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