



BFSI

Fortnightly Newsletter

11th February to 21st February 2019

BFSI Newsletter

Investment and Exit

Apax, Baring PE India-backed Manappuram to get debt funding from IFC

18th Feb'2019.VCCricle

International Finance Corporation plans to make a debt investment of up to Rs 540 crore (\$75 million) in Manappuram Finance Ltd, in what will be its first funding for a gold loan-focussed company globally...[more](#)

RBI lifts cap on FPI investments in corp bonds

16th Feb 2019. ET

The Reserve Bank of India (RBI) Friday withdrew the 20 per cent limit on investments by FPIs in corporate bonds of an entity with a view to encourage more foreign investments. As part of the review of the FPI investment in corporate debt undertaken in April 2018, it was stipulated that no FPI should have an exposure of more than 20 per cent of its corporate bond portfolio to a single corporate (including exposure to entities related to the corporate)...[more](#)

Saudi prince expects investment worth more than \$100 billion in India

20th Feb 2019. ET

Saudi Arabia's Crown Prince Mohammed bin Salman said on Wednesday he expected investment opportunities worth more than \$100 billion in India over the next two years as he began his first official visit amid tensions between arch foes India and Pakistan...[more](#)

Deutsche Bank makes bumper equity infusion in India

12th Feb 2019. ET

Deutsche Bank has made its single-largest equity infusion in India, placing bets on digital technologies to expand its retail operations and double revenue from that business in the country. The Frankfurt-headquartered lender has put €500 million (about Rs 4,000 crore) in December, its second infusion within a year, taking its total capital to €1.9 billion, Werner Steinmueller, Asia Pacific CEO, said in an interview ...[more](#)

Fund Raise

IndusInd Bank to raise \$1 bn through MTNs to meet its funding requirements

13TH Feb 2019. Business Standard

Private lender IndusInd Bank plans to raise up to \$1 billion (about Rs 7,000 crore) through medium term notes (MTNs) to meet its funding requirements. It would also raise up to Rs 3,000 crore through Tier I and Tier II bonds...[more](#)

Bharat 22 ETF raises Rs 40,000 crore on last day

15th Feb 2019. ET

Bharat 22 ETF, backed by ICICI Mutual Fund, has raised more Rs 40,000 crore till 7 pm, sources said. The issue was open for subscription till Thursday. Through the ETF, the government proposed to raise Rs 3,500 crore with the option to retain additional amount as per instructions from the government. The government may retain Rs 10,000 crore ...[more](#)

Pantomath Pi Square files for ₹ 400-cr alternative fund

19th Feb'2019. thehindubusinessline

Our Bureau Pantomath Pi Square Asset Management LLP, the joint venture between Pantomath Group and Pi Square, has filed papers with SEBI to raise ₹ 400 crore through India Inflection Opportunity Fund, its maiden Category-II alternative investment fund...[more](#)

Buyout PE fund TIW plans to raise \$100 m

17th Feb 2019. The Hindu Business Line

TIW Private Equity, Ralhan said, is a sector agnostic buyout private equity fund which makes equity and equity-linked investments typically in India-based RoE positive sectors via buyouts Giriprakash KV TIW Private Equity, a buyout fund, plans to raise another \$100 million as part of its next series...[more](#)

Government seeks to raise Rs 5,316 crore by selling 3% in Axis Bank

12th Feb 2019. ET

The Centre is seeking to raise around Rs 5,316 crore by selling its 3% stake, owned through the Specified Undertaking of the Unit Trust of India (SUUTI), in private sector lender Axis Bank. The stake sale is aimed at helping North Block meet its budgeted disinvestment target...[more](#)

Muthoot Finance to raise up to Rs 750 cr through bonds

13TH Feb 2019. Money Control

Non-banking finance company, Muthoot Finance on Wednesday said it plans to raise up to Rs 750 crore through non-convertible debentures (NCDs). The base size of the issue of Rs 100 crore, with an option to retain oversubscription up to Rs 650 crore....[more](#)

Cost of raising funds by selling CPs falls 75 bps

18th Feb'2019. economicstimes

The cost of raising funds by selling commercial papers (CPs) has reduced by as much as three quarters of a percentage point in the past two months, as supply decreases and investors turn comfortable ...[more](#)

India Inc raises Rs 4.57 lakh crore via debt private placement in Apr-Jan FY19

15TH Feb 2019. ET

Indian companies raised Rs 4.57 lakh crore through private placement of corporate bonds during the first 10 months of the current fiscal to meet business needs...[more](#)

Anil Ambani's Reliance General Insurance files for IPO again

12th Feb VCCIRCLE

Reliance General Insurance Company Ltd has again filed draft documents for an initial public offering, less than three months after regulatory approval for its previous proposal lapsed. The wholly owned unit of Anil Ambani-led Reliance Capital Ltd filed the draft red herring prospectus for an IPO with the Securities and Exchange Board of India (SEBI) on February 8...[more](#)

Merger And Acquisitions

Insurance software firm Ebix buys majority stake in travel tech platform Zillious

14th Feb 2019. VCCircle

One year three months after buying Bengaluru-based online-to-offline travel agency Via.com, insurance software firm Ebix Inc. has acquired 80% stake in travel technology company Zillious Solutions Pvt. Ltd for an undisclosed sum ...[more](#)

Rupee Cooperative Bank seeks partial merger with Thane Janata Sahakari Bank

8th Feb 2019. Banking Financing.in

The Rupee Cooperative Bank has sought partial merger of its assets and liabilities with the Thane Janata Sahakari Bank (TJSB). A proposal in this regard has been sent to Reserve Bank of India. The Pune-based Rupee Cooperative Bank has been under special directions of the RBI since 2013...[more](#)

PNB to sell stake in housing finance arm to GA and Varde

12th Feb 2019. ET

General Atlantic Partners (GA) and Varde Partners have emerged the frontrunners to pick up a 22% stake in PNB Housing Finance from Punjab National Bank for around Rs 3,500 crore in one of the most closely fought auctions for a mortgage firm, said three people aware of the development...[more](#)

Merger of Vijaya Bank and Dena Bank with BoB to be effective from April 1

20th Feb'2019.economicstimes

Bank of Baroda on Wednesday said the merger of Dena Bank and Vijaya Bank with itself would be effective from April 1 as per the scheme of amalgamation approved by the government ...[more](#)

Private equity firms vie for 10% stake in DHFL

18th Feb 2019. ET

Baring, Bain and Hero Fincorp are in talks to buy a 10% stake in Dewan Housing Finance Corp Ltd (DHFL), said people with knowledge of the matter. Chairman Kapil Wadhawan plans to step down from active management after the sale, they said ...[more](#)

NBFC

Uday Kotak believes it is time for consolidation in NBFC space

18th Feb 2019. Money control

Uday Kotak, the executive vice chairman and managing director of Kotak Mahindra Bank, started the bank in 2003, which is now among India's top four banks in the private sector. Kotak, 59, was appointed as non-executive chairman of the beleaguered Infrastructure Leasing & Financial Services (IL&FS) by the government to resolve the crisis faced by the company...[more](#)

NBFC crisis hits corp bonds, sales dip 13% to Rs 4 lakh crore till De

12th Feb 2019. ET

Corporate bond issuance declined 13 percent to Rs 4 lakh crore during the first nine months of the current financial year due to higher cost of borrowing and slowing investment activity, says a report...[more](#)

Banking

Indian State signed \$40 Million Loan Agreements with the World Bank

16th Feb 2019. Freshers live

The Government of India, Government of Himachal Pradesh (GoHIP) and the World Bank signed a \$40 Million Loan Agreement to help bring clean and reliable drinking water to the citizens of the Greater Shimla area, who have been facing severe water shortages and water-borne epidemics over the last few years...[more](#)

Govt gets ₹ 28,000-cr interim dividend from RBI

18TH Feb 2019. The Hindu Business Line

The RBI on Monday announced an interim dividend of ₹ 28,000 crore for the Centre. The dividend amount has always been a contentious issue between the central bank and the government, with the later demanding that the RBI part with a greater share of its capital...[more](#)

Banks ask JPVL promoter to bring in Rs 2,000 crore equity in recast plan

18TH Feb 2019. DNA

In the crisis-ridden power sector, banks are for the first time retaining the debt-plagued promoter in their restructuring plan. Manoj Gaur, the promoter of Jaiprakash Power Ventures (JPVL), will continue to own the company but will need to infuse equity of around Rs 2,000 crore as banks get to reduce their...[more](#)

RBI to inject Rs 12,500-cr liquidity via OMOs on Thursday; result of auction to be announced on same day

19th Feb 2019. First post

The Reserve Bank of India (RBI) Monday said it would inject Rs 12,500 crore into the system through purchase of government securities on Thursday to increase liquidity. The purchase will be made through open market operations (OMOs)...[more](#)

FM addresses RBI Board, pitches for bank mergers

18th Feb 2019. Money Control

Union finance minister, Arun Jaitley, addressed the customary post-budget board meeting of the Reserve Bank of India (RBI) on February 18 and discussed "issues related to fiscal policy decisions taken by the government"...[more](#)

Non-SBI lenders not comfortable with having a large stake in Jet Airways

15th Feb 2019. ET

Many lenders of Jet Airways, excluding State Bank of India (SBI), prefer not to become majority owners of the company as they are not comfortable owning a large stake in an airline, said two people familiar with the lenders' plan. These lenders may seek an alternate plan at a lender's meeting later this month...[more](#)

RBI to transfer interim surplus of nearly \$4 bn to govt

18th Feb 2019. VCCircle

The Reserve Bank of India (RBI) on Monday decided to transfer an interim surplus of 280 billion rupees (\$3.92 billion) to the government for the half year ended Dec. 31...[more](#)

Micro Finance

Svasti Microfin gets Rs 34 crore

12TH Feb 2019. ET

Svasti Microfinance said it has raised Rs 34 crore from investors including Nordic Microfinance Initiative (NMI) and Serum Institute of India CEO Adar Poonawalla ...[more](#)

Insurance Companies

Big investors approached for SBI General Insurance deal

13TH Feb 2019.ET

Some of the world's largest strategic investors such as Swiss Re, Zurich Insurance, Liberty General and bulge-bracket private equity firms such as Apax, Advent, Blackstone Group, Warburg Pincus and KKR have been approached to buy a 26 per cent stake in SBI General Insurance for around Rs 3,400 crore, said people with knowledge of the matter...[more](#)

Warburg Pincus concludes 26% stake purchase in IndiaFirst Life

11th Feb 2019. Asia Insurance Post

Over eight months after signing a deal to acquire 26 percent in Indiafirst Life Insurance for Rs 710 crore, global private equity major Warburg Pincus has concluded the transaction. This is the first deal wherein a private equity fund has taken an interest in a life insurance ...[more](#)

Analjit Singh to chair Max India, Max Life

12th Feb 2019. The New Indian Express

The Max Group, which has significant presence in healthcare, insurance and allied businesses, on Monday said that its founder and chairman emeritus Analjit Singh will take over as chairman of Max India and Max Life, currently held by Rahul Khosla ...[more](#)

Agents bring 66% of new business premium in life insurance

18th Feb 2019. Café Mutual

Individual agents continue to dominate sales in the Rs.35 lakh crore life insurance industry with over 66% of new business premium brought by them in FY 2017-18. The contribution of insurance agents was even higher in case of LIC compared to private players. Individual agents procured 96% of the new business premium of LIC compared to 28% in case of private players...[more](#)

Why reinsurance has attracted IRDA scrutiny

20th Feb'2019.LiveMint

The Insurance Regulatory and Development Authority of India (IRDA) has issued an advisory to non-life insurance companies asking them to carry out proper due diligence when they enter into reinsurance contracts through brokers...[more](#)

RupeeCircle ties up with Tata AIG to insure P2P loans

19th Feb 2019. ET

P2P lending company RupeeCircle has tied up with TATA AIG General Insurance Company for providing insurance cover against accidental death, disability and job loss, to its borrowers. Borrowers taking a personal loan from RupeeCircle will now be insured against accidental death and permanent total disability...[more](#)

Mutual Funds

Mutual funds have Rs 8,650 crore exposure to DHFL & four group entities

15th Feb 2019. Banking Financing.in

Dewan Housing Finance (DHFL) is once again on investors' radar after the mortgage lender's December quarter numbers showed acute pain from the September liquidity crisis in the NBFC space, leading to a 37per cent drop in quarterly profit...[more](#)

Aditya Birla Sun Life Mutual Fund launches ABSL Retirement Fund

18th Feb 2019. ET

Aditya Birla Sun Life Mutual Fund has launched Aditya Birla Sun Life Retirement Fund, an open-ended retirement solution-oriented scheme. The fund has a lock-in period of minimum five years or till retirement age, whichever is earlier...[more](#)

Best arbitrage mutual funds to invest in 2019

18th Feb 2019. ET

Here's a monthly update on our recommended arbitrage mutual funds. The good news is that there is no changes in our recommendations. Arbitrage mutual funds lost some of their sheen after the re-introduction of long term capital gains tax on equity mutual funds...[more](#)

Invest in mutual funds with Moneycontrol Transact

20th Feb'2019.Moneycontrol

Moneycontrol has launched its brand new mutual funds investment platform, 'Moneycontrol Transact' on Android and iOS app stores. It is an end-to-end solution for MF investors, who can not only research and learn about mutual funds, but also invest in mutual funds in a few easy steps, all completed online...[more](#)

Top mutual fund schemes to invest in - Mint 30

21st Feb'2019.Livemint

This is a curated list of 30 investment-worthy mutual fund schemes. You need just 5-8 schemes to build a good portfolio. Mint uses qualitative and quantitative parameters to select 30 schemes out of more than 2,000 schemes...[more](#)

Mutual funds add Rs 1.24 lakh crore to asset base in 2018

20TH Feb 2019. Banking Finance.in

Mutual funds have added Rs 1.24 lakh crore to their asset base in 2018 aided by increase in SIP flows and a robust participation of retail investors despite volatile markets. The asset under management (AUM) of the industry grew by 5.54 per cent or Rs 1.24 lakh crore to Rs 23.61 lakh crore at the end of December 2018, up from Rs 22.37 lakh crore...[more](#)

High cash balances, profit booking help Axis equity funds outperform

20th Feb 2019. ET

Holding high cash balances and booking profit in slowing high sectors like auto have helped Axis Mutual Fund's equity schemes turn the table toppers in the past one year. At a time when most mutual fund scheme returns are negative, as stocks corrected sharply, equity schemes of Axis Mutual Fund have given positive returns, outperforming their benchmarks and peers...[more](#)

Insolvency and Bankruptcy Code

Individual Insolvency Code may soon be a reality

15TH Feb 2019. ET

Failure to repay home loans might drag future defaulters to dedicated bankruptcy courts as New Delhi is seeking to put in place a broad framework on individual insolvency two years after it revamped such laws for stressed companies ...[more](#)

SBI, OBC put on sale stressed accounts to recover dues of ₹ 5,740 crore

11th Feb 2019. Live mint

State-owned State Bank of India (SBI) and Oriental Bank of Commerce (OBC) have put on sale various financial accounts to recover dues of around ₹ 5,740 crore. The country's largest lender SBI has invited bids from asset reconstruction companies (ARCs) and financial institutions (FIs) to recover an outstanding of ₹ 4,975 crore...[more](#)

Payment Banks

Fino Payments Bank Partners With Suryoday SFB To Offer Sweep Account Facility

8th Feb 2019. Freshers Live

Fino Payments Bank (FPB) announced the launch of a sweep account facility in association with Suryoday Small Finance Bank (SSFB). This partnership will help FPB address the issue of deposit limits that all the payment banks face at the moment...[more](#)

Anirban Mukherjee is PayU India CEO

20TH Feb 2019. ET

PayU India has named a new CEO in Anirban Mukherjee, who was till recently the co-chief executive of Reliance Payments. The Naspers-owned fintech major also outlined its plan to double its loan book to about \$2 billion over the next couple of years...[more](#)

Paytm Money integrates with Paytm Payments Bank to allow seamless movement of funds

14th Feb 2019. ET

To open wealth management options for Paytm Payment Bank customers, Paytm Money will now enable investments for the bank customers seamlessly. Bank customers, who are currently more than 42 million in number, will be able to make their account the primary bank account on Paytm Money...[more](#)

Paytm parent pledges all assets to borrow from ICICI Bank

16th Feb 2019. ET

One97 Communications, which owns digital payments major Paytm, has pledged all its current assets and mutual fund investments to ICICI Bank in order to be able to borrow up to ₹1,400 crore for working capital, according to documents filed with the Registrar of Companies...[more](#)

'Amazon Pay UPI' launched for Android users in India

14th Feb 2019. ET

To facilitate secure payments and financial transactions on its platform, Amazon on Thursday launched "Amazon Pay Unified Payments Interface (UPI)" for Android users in partnership with Axis Bank to issue UPI IDs to its customers in India...[more](#)

Paytm leads in UPI usage, Google Pay & PhonePe follow

11th Feb 2019. ET

Paytm led in Unified Payments Interface (UPI) transactions in January, closely followed by Google Pay and PhonePe, according to people with knowledge of the matter...[more](#)

Money Markets

RBI to inject ₹ 12,500-crore liquidity via OMOs on Thursday

19th Feb 2019. Live Mint

The Reserve Bank of India (RBI) on Monday said it would inject ₹ 12,500 crore into the system through purchase of government securities on Thursday to increase liquidity. The purchase will be made through open market operations (OMOs)...[more](#)

Rate cut fails to tame yields in corporate bond market

20TH Feb 2019. ET

The Reserve Bank of India's recent rate cut hasn't, at least so far, translated into lower cost for companies raising long-term funds in the bond market...[more](#)

FDI

Local sourcing rule may be eased for FDI in single-brand retail

14th Feb 2019. ET

The government is considering a relaxation in mandatory 30% local sourcing norm for foreign direct investment (FDI) in single-brand retail in a bid to draw companies such as Apple looking to set up their own stores in India. The government is considering a relaxation in mandatory 30% local sourcing norm for foreign direct investment (FDI) in single-brand retail in a bid to draw companies such as Apple looking to set up their own stores in India...[more](#)

E-commerce FDI policy changes haven't shaken confidence in India: Walmart

20TH Feb'2019.Moneycontrol

US retail major Walmart said it is "disappointed" with recent changes in FDI policy for e-commerce firms in the country, and hopes for a collaborative regulatory process going forward which results in a level-playing field...[more](#)

FDI during April-December 2018-19 falls 7% to \$33.49 billion

20TH Feb 2019. ET

Foreign direct investment (FDI) into India contracted by 7 per cent to USD 33.49 billion during April-December in the current fiscal, according to commerce and industry ministry data...[more](#)

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