



BFSI

Fortnightly Newsletter

22nd February to 8th March 2019

BFSI Newsletter

Investment and Exit

Abu Dhabi Investment Authority commits \$500 million for Kotak's AIF

1ST March 2019. Business Standard

Kotak Investment Advisors (KIAL) on Thursday announced the launch of the Kotak Special Situations Fund, anchored by a \$500-million commitment from a wholly-owned subsidiary of Abu Dhabi Investment Authority (ADIA). Kotak has committed \$100 million...[more](#)

CDPQ to invest \$250 m in NBFC arm of Edelweiss

6th March 2019. ET

Canadian fund CDPQ has agreed to invest \$250 million (Rs 1,767 crore) in the convertible debentures of the Edelweiss Group's non-banking finance company, ECL Finance. Converting this debt holding into equity over the next five years would result in the fund owning an at least 13 per cent stake in the NBFC...[more](#)

Carlyle picks up SBI Life stake in biggest India investment

1st March 2019. VCCircle

Private equity firm Carlyle Group has bought a 9% stake in SBI Life Insurance Ltd for about Rs 4,635 crore (\$652 million) in its biggest-ever investment in India. Carlyle purchased the stake from BNP Paribas Cardif SA, the Indian insurer said in a stock-exchange filing on Friday. The insurance unit of the French bank sold a 9.23% stake in total in SBI Life, reducing its holding to 12.77%...[more](#)

Fund Raise

L&T Finance raising Rs 1,500-cr via NCDs to diversify source of funds: Dinanath Dubhashi

28TH Feb 2019. ET

Over the next two to three years, we want to diversify the sources of funds. We will consider retail NCDs or ECBsL or Masala bonds, said Dinanath Dubhashi, MD & CEO, L&T Finance Holdings...[more](#)

PNB Housing Finance raises Rs 235 crore via NCDs

27th Feb 2019. Money control

PNB Housing Finance on Wednesday said it has raised Rs 235 crore by issuing bonds with maturity of 1.5 years...[more](#)

Banks' consortium considering Rs 500 cr interim funding to Jet Airways, says PNB chief

22ND Feb 2019. ET

A consortium of banks is considering an interim funding of Rs 500 crore for debt-laden Jet Airways but a final decision is yet to be taken, Punjab National Bank Managing Director Sunil Mehta said on Friday. PNB is part of the lenders' consortium, led by State Bank of India (SBI), that has extended loans to the airline...[more](#)

A91 Emerging Fund to raise \$250-300 million to support SMEs

1st March 2019. Business Standard

A Private equity fund called A91 Emerging Fund I LLP, which is backed by International Finance Corporation, is looking to raise \$250-330 million to support small and medium-sized enterprises in India...[more](#)

Binny Bansal-backed 021 Capital invests in legal-tech startup SpotDraft

22nd Feb 2019. VCCircle

Legal-tech startup SpotDraft has raised \$1.5 million (around Rs 11 crore) in a pre-Series A round of funding led by venture capital firm 021 Capital, which is backed by Flipkart co-founder Binny Bansal...[more](#)

Merger And Acquisitions

ING Group sells entire 3% stake in Kotak Mahindra Bank

22ND Feb 2019. Money Control

ING Group has sold its 3.06 percent stake in Kotak Mahindra Bank on February 22. Subsequent to the stake sale, Mark Newman, a non-executive non-independent director at Kotak Bank has resigned with immediate effect...[more](#)

Merger of regional rural banks within same state likely

27TH Feb 2019. ET

The government is looking at the possibility of merging regional rural banks (RRBs) operating within the same state and has urged the state-owned banks to explore such options, as it wants further consolidation among RRBs. It eventually wants to bring them down to a more manageable number of 10-15...[more](#)

SoftBank and Carlyle get anti-trust nod to acquire stakes in Delhivery

28th Feb 2019. VCCircle

The Competition Commission of India (CCI) has given the go-ahead to Japan's SoftBank Corp to acquire 22.44% stake in logistics company Delhivery Pvt. Ltd. Last month, SoftBank had asked CCI to okay 37.87% stake acquisition...[more](#)

Lakshmi Vilas Bank's merger with NBFC may open more such possibilities

7TH March 2019.ET

The role of two central bank nominees to the board of Lakshmi Vilas Bank would be in focus on Friday when the highest policy-making group at the lender meets to possibly consider a merger with a non-banking finance company (NBFC)...[more](#)

Banking

DCB Bank launches Open Banking for next-generation banking solutions

27TH Feb 2019.Money Control

DCB Bank announced the launch of its Open Banking Platform, a significant step towards creating a collaborative ecosystem with enterprises, fintechs and app developers, and enhancing customer-service delivery...[more](#)

RBI to infuse Rs 12,500 cr through OMO on February 28

26TH Feb 2019.Money Control

The Reserve Bank of India (RBI) on Tuesday said it would infuse Rs 12,500 crore into the system through open market operations. The RBI said it has decided to conduct purchase of certain government securities under open market operations (OMOs) for an aggregate amount of Rs 12,500 crore...[more](#)

RBI inks \$75-billion bilateral swap arrangement with Bank of Japan

1ST March 2019.Business Standard

The Reserve Bank of India (RBI) and Bank of Japan have signed a bilateral swap arrangement (BSA) for an amount up to \$75 billion, effective on Thursday...[more](#)

DBS Bank aims to triple India business via wholly-owned subsidiary

4TH March 2019.Money Control

Singapore-based DBS Bank, that recently converted its Indian branches into a wholly-owned subsidiary -- DBS Bank India, on March 4 said it aims to triple the size of its business in the country by increasing exposure to consumer loans...[more](#)

National Housing Bank plans stronger capital norm for housing finance companies

5TH March 2019.ET

National Housing Bank (NHB) is planning to raise long term capital requirement for housing finance companies (HFCs) to guard against their liquidity and solvency risks...[more](#)

NBFC

RBI bundles NBFCs into 1 type, offering operational flexibility

22ND Feb 2019.ET

To provide greater operational flexibility to non-banking lenders, the Reserve Bank Friday created a single category for them by bundling their present three-tier structure...[more](#)

NBFCs look for retail money as MFs, banks keep a tight rein on funds

25TH Feb 2019.ET

At least four non-banking finance companies (NBFCs) are queuing up to sell retail bonds in the next two months, suggesting that viability remains intact for para banks despite the crisis created by defaults at Infrastructure Leasing & Financial Services (IL&FS)...[more](#)

Wooing customers: PSU banks step up to wrest away mortgages from NBFCs

26TH Feb 2019.ET

State-run lenders are stepping up their loans to home buyers armed with better liquidity and lower rates. Large public sector lenders such as State Bank of India and Bank of Baroda have launched special schemes to wrest market share away from private banks and home finance companies that are facing a liquidity squeeze and higher cost of funds...[more](#)

Reduce refinancing risk for NBFCs to boost securitisation

2ND March 2019.ET

Events in India's credit market over the last one year have once again shown that debt used well is a value creator, but excessive debt can lead to severe problems. The crucial point to keep in mind is that well-structured lending institutions in the credit space are much needed to aid a rapidly growing economy, and, therefore, strategies that will help create such companies are worth analysing...[more](#)

NBFCs with Rs 1,000 crore assets want public deposit access

5TH March 2019.ET

Non-banking finance companies (NBFCs) with assets exceeding Rs 1,000 crore want the central bank to allow them to accept public deposits, underscoring their systemic importance in providing credit to geographies - and customers - traditional banks still can't reach...[more](#)

Micro Finance

DFID's Development Capital exit proves the investment approach to Microfinance works

1ST March 2019.ET

Four years after the Department for International Development (DFID), a department of the UK Government that seeks to promote sustainable development and eliminate world poverty, invested in a microfinance firm in the state of Odisha, it has announced a successful partial exit...[more](#)

Satya MicroCapital reaches over 2.25 lakh entrepreneurs

6TH March 2019.ET

With a loan disbursement portfolio of Rs. 750 crores to its name, Satya MicroCapital has enabled more than 2.25 lakh unbanked and underserved entrepreneurs. The company is currently serving more than two lakh entrepreneurs with Rs. 500 crore worth of Assets under Management...[more](#)

Mutual Funds

Passive investments will be a game-changer in mutual funds industry

27TH Feb 2019.Money control

There have been a lot of changes with regards to mutual funds in the past 10 years. These changes have incrementally advanced the case of the investors...[more](#)

Mutual funds, PMS to be get to play in commodity derivatives soon: Sebi

1ST March 2019.Business Standard

Commodity markets regulator Sebi Thursday said mutual funds and portfolio management services (PMS) will be allowed into commodity derivatives soon...[more](#)

MFs sees over Rs 20,000cr in outflows in Feb led by liquid funds; equity inflows dwindle

8th March 2019.Money control

Fund flows into mutual funds reversed in February, with outflows at Rs 20,083 crore, after the 43-player industry witnessed net inflows of Rs 65,439 crore in January, according to data from the Association of Mutual Funds in India (AMFI)...[more](#)

Reliance Capital to monetise stakes in MFs, cover companies

8TH March 2019.ET

Reliance Capital plans to reduce debt by monetising stake in mutual fund, general insurance and media assets. The company expects to raise Rs 5,000 crore by selling stake in the mutual fund company...[more](#)

Insurance Companies

True North to acquire controlling stake in Max Bupa Health from Max India for Rs 511 crore

26TH Feb 2019.Money Control

Private equity investor True North will buy Max India's 51 percent stake in Max Bupa Health Insurance for Rs 511 crore. The transaction values Max Bupa at Rs 1,001 crore, and is expected to be completed in FY20...[more](#)

Bharti AXA General launches service for fast vehicle claim settlement

4TH March 2019.ET

Private insurer Bharti AXA General Insurance on Monday said it has introduced a technology-led service that allows customers and partner garages to raise instant vehicle claims and get quicker claim settlement...[more](#)

Payment Banks

State Bank of India to join SWIFT's global payment interface

7TH March 2019.ET

State Bank of India will soon sign up with the Society for Worldwide Interbank Financial Transactions' (SWIFT) Global Payment Interface (gpi), adding to the list of Indian banks that have subscribed to the interbank communication channel's new payment interface which is set to make cross-border transactions much more secure and transparent, a top official said...[more](#)

RuPay has issued 64 million global cards using the Discover network

7TH March 2019.ET

National Payments Corporation of India run domestic card scheme RuPay said that they have issued 64 million global cards meant for international transactions which run on the global card scheme Discover's platform...[more](#)

Private Equity

Multiples PE set to get IFC's backing for \$900-mn third fund

4th March 2019.VCCircle

Private equity firm Multiples Alternate Asset Management Pvt. Ltd (Multiples PE) is aiming to raise as much as Rs 6,530 crore (\$900 million) for its third fund and will get the backing of International Finance Corporation as a limited partner...[more](#)

Tiger Global, Matrix Partners invest \$56 mn in Ola's electric mobility biz

1st March 2019.VCCircle

Ola's electric mobility arm said on Friday that it has raised Rs 400 crore (\$56 million at current exchange rates) from some of the ride-hailing unicorn's existing investors including New York-based hedge fund Tiger Global Management and venture capital firm Matrix Partners India...[more](#)

Resonance Eduventures in talks with PEs to sell stake, pay KKR debt

6TH March 2019.ET

Promoters of competitive test coaching company Resonance Eduventures are in talks with PE funds to sell a controlling stake. Funds will be used to repay debt it raised from global PE fund KKR, said three people with knowledge of the development...[more](#)

E-commerce, consumer internet companies raised over \$7 billion in PE/VC capital in 2018: EY

8th March 2019.Money Control

E-commerce and consumer internet companies have raised over USD 7 billion in private equity and venture capital funding in 2018, says EY report...[more](#)

Venture Capital

IFC set to back former Sequoia execs' debut venture capital fund

1st March 2019.VCCircle

International Finance Corporation (IFC) has proposed to come in as a Limited Partner, or investor, in the debut venture capital fund of investment firm A91 Partners. IFC intends to put \$25 million (Rs 177 crore) in A91 Emerging Fund I LLP, the World Bank's private-sector investment arm said in a statement...[more](#)

WaterBridge Ventures, others invest in cooking robot maker Nymble Labs

25th Feb 2019.VCCircle

Nymble Labs, the Bengaluru-based startup behind cooking robot Julia, has raised an undisclosed amount of funding from early-stage venture capital firm WaterBridge Ventures, Flipkart co-founder Binny Bansal and VC firm 021 Capital...[more](#)

Artificial Intelligence startup receives funding from Indian Angel Network

26th Feb 2019.Zeebiz

Funds put in newer and advanced technologies that benefit the Insurance sphere will result into better performance in the field. Indian Angel Network (IAN), one of the largest early-stage start-up investments, mentoring, and support network in India, made an investment into Artivatic Data Labs...[more](#)

Coverfox's parent company, Glitterbug, is out to raise \$50 million in new round

8TH March 2019.ET

Glitterbug Technologies, which owns and operates insurance aggregator Coverfox, has hit the market to raise a fresh round of equity financing, estimated at \$50 million...[more](#)

Foreign Institutional investment

Kotak Mahindra Bank raises foreign investment limit

26TH Feb 2019.Money Control

Kotak Mahindra Bank Ltd on February 26 raised the limit on total shareholding of foreign institutional investors and foreign portfolio investors in the company to 45 percent from 43 percent...[more](#)

FDI

Flipkart appoints intermediaries to get around new FDI norms

8TH March 2019.ET

Flipkart has appointed half-a dozen companies as intermediaries between its wholesale unit and some preferred sellers on its platform to get around the 25% cap on direct purchases from entities related to marketplaces, two people familiar with the development said...[more](#)

Money Markets

M&M Fin plans to raise \$500m via offshore loans, dollar bonds

1st March 2019.ET

Mahindra & Mahindra Financial Services is, for the first time, tapping the overseas credit market to fund the non-banking finance company's local lending business that is growing at a faster pace than the industry...[more](#)

Bank of Baroda plans international auction of Rs 1,838 crore RCom debt

27TH Feb 2019.ET

Bank of Baroda (BoB) has lined up plans to sell its Rs 1,838.16 crore debt in beleaguered Reliance Communications (RCom) through an international auction, and is likely to float a tender for the same shortly, two people aware of the matter said...[more](#)

VRR has potential to widen bond markets

6TH March 2019.Live Mint

During 2011-12, the Reserve Bank of India (RBI) published the first set of guidelines governing investment by foreign portfolio investors (FPIs) in the domestic onshore bond market. Initial investment limits were defined, along with other conditions such as the minimum residual maturity requirement for bond investments...[more](#)

ARC

Central Bank puts Rs 3,300 cr NPA on auction

2ND March 2019.ET

Taking a cue from the SBI the Central Bank of India on Saturday put four big accounts of NPA worth Rs 3,300 crore on sale through the SARFAESI Act, though some of the assets are currently under the NCLT resolution process...[more](#)

NCLT

SBI mulling insolvency route via NCLT to recover Jet Airways loan

24TH Feb 2019.ET

ate-run State Bank of India (SBI) is looking at approaching the National Company Law Tribunal (NCLT) to recover its loans from private carrier Jet Airways according to SBI officials...[more](#)

Best Regards



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