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Bank of India ties-up with MAS Financial Services for co-lending

State-owned [Bank of India](#) (BOI) on Tuesday said it has entered into a co-lending arrangement with MAS Financial Services for MSME loans. The tie-up comes on the occasion of the bank's 116th Foundation Day. Co-lending was introduced by the RBI to increase the credit flow to the unserved and underserved sector by utilising the nimble-footed NBFC coverage to the informal sector. BOI will leverage the reach of NBFC to build an MSME portfolio, Atanu Kumar Das, Managing Director & CEO, Bank of India said in a release. Celebrating Foundation Day across all its 10 national banking group (NBG) offices, 59 zonal offices, 5,084 domestic and 23 overseas branches, and 5,323 ATMs, Das expressed gratitude to all the stakeholders. The bank marked the special occasion by celebrating 'AzadiKaAmritMahotsav' and pledged to continue serving the nation and its citizens. On the occasion, the bank unveiled various new schemes for farmers and undertook several initiatives, such as tree plantation, extending financial help to 8,718 girl children towards their education and customer outreach programmes, among others.

(Yar Mohammed Jamal Ahmed / S.Y.B.B.I-11)

CIAL, Air India Express ink MoU on special promotional schemes for passengers

The Cochin International Airport Limited (CIAL) here and Air India Express Ltd on Tuesday signed a Memorandum of Understanding (MoU) for exploring and implementing a slew of promotional campaigns, programmes, and schemes

for passengers. The MoU was signed by CIAL Managing Director S Suhas IAS and Chief Executive Officer of Air India Express Aloke Singh at an event held in Kochi. As part of the agreement, both the companies are launching an all-new promotional scheme for the passengers. The passengers traveling on Air India Express can avail 15 per cent to 20 per cent off while shopping from the Cochin Duty Free shop at the international departure terminal. "In addition to this, passengers traveling on any airline will stand a chance to win free round-trip tickets through a lucky draw if they are purchasing from Cochin Duty Free," CIAL said in a release. Addressing the gathering, Suhas said the signing of the MoU sets a significant milestone for closer collaboration and long-term association between CIAL and Air India Express Limited. "Partnerships between institutions are built on shared values. CIAL and Air India Express indeed share common values," he said, adding that Air India Express identifies CIAL as one of its primary hubs. "Air India Express is the single largest international airline operator from CIAL in terms of number of flights," Suhas said.

Meanwhile Singh said with the MoU, Air India Express is looking forward to engaging with its customers more. "We hold our relationship with CIAL very dear. CIAL is a unique airport, unique in its mode of operations, green initiatives, and architecture. We are really proud of the relationship we have with the airport," Singh said. Being the largest international airline operating in Kerala, Air India Express is looking forward to leveraging the tremendous tourism potential offered by the state once the situation comes back to normal.

(Sagar Agate /TYBcom A - 4)

RBI unveils financial inclusion index

The Reserve Bank of India (RBI) on Tuesday announced the formation of a composite Financial Inclusion Index (FI-Index) to capture the extent of financial inclusion across the country. The annual FI-Index for the period ended March 2021 stood at 53.9 compared with 43.4 for the period ended March 2017. The FI-Index will be published in July every year, the RBI said in a release. The index has been conceptualised as a comprehensive index incorporating details of banking, investments, insurance, postal as well as the pension sector in consultation with the government and respective sectoral regulators, the RBI said. The index captures information on various aspects of financial inclusion in a single value ranging between 0 and 100, where 0 represents complete

financial exclusion and 100 indicates full financial inclusion. “The FI-Index comprises three broad parameters (weights indicated in brackets) viz., Access (35%), Usage (45%), and Quality (20%) with each of these consisting of various dimensions, which are computed based on a number of indicators,” the RBI said. The index is responsive to ease of access, availability and usage of services, and quality of services for all 97 indicators. The FI-Index has been constructed without any ‘base year’ and as such it reflects cumulative efforts of all stakeholders over the years towards financial inclusion, it said.

(Ankita Morde /SYBBI -13)

Exide Life acquisition ticks every box, happy to go ahead with it: HDFC LIFE

NSE 0.14 %, it is very important that the DNAs are reasonably similar with Exide Life. This particular opportunity had all of them. So, tick in every box and that is why we were fairly happy to go ahead with it, said Vibha Padalkar, MD & CEO, HDFC Life Insurance. The company recently announced it is acquiring Exide Life. Could you tell us what is the rationale for this acquisition and also what are the synergies that we can expect? Some of the big-ticket positives – and this is something that we have been saying as to what we look for in a potential target company – is that it needs to have credible distribution which Exide Life has. It is very strong in its agency channel as well as in some of the partnerships on the broke-up front. Hence, that is complementary to our business. It is also present in tier II and III towns and has a fairly strong hold in some regions in the south. The second aspect is the quality of the book. Again, we have looked at their embedded value. It has also been certified by an external actuarial firm of repute and that will be accretive to our embedded value. It is about 10% of our EV. And the third aspect is that in terms of quality of business, its management team, and the cultural aspects of it, that too in terms of the ethos, that will also be very important as we integrate it. Exide Life post all regulatory approvals into HDFC Life, is very important that the DNAs are reasonably similar. So, this particular opportunity had all of them. So, tick in every box and that is why we were fairly happy to go ahead with it. Exide Life’s market share has been declining slightly. What is the advantage that you would get in terms of agency channel, your cost benefits, and scale benefits that we can expect from this acquisition? On the market share front, they are about 1.3% market share and remain somewhat steady over the past

few years. It is a scale issue for them, like it is for a lot of smaller players; wherein beyond a certain point they are finding it difficult to scale up. With the agency channel. Another interesting aspect is that they are reasonably strong in south India and in tier II and III towns. So, about 40 odd percent of their business comes from those geographies and hence it is complementary to our business which is a lot more metro focussed; at least the top 10 cities. This combination is a potent one. The final point is in terms of what the agency channel sells. A large proportion is in terms of traditional products as well as protection. Very little of unit-linked products. If you look at HDFC Life itself, today we are over 90% 13-month persistency and continuing to increase on that. We were hovering mid 80s not that long ago. So, quality of business continues to increase, new business margins continue to increase, and embedded value operating profit continues to go up. So, I think going back in time is somewhat of a futile exercise or really apples and oranges. The way we look at this is that this deal has happened at a significant discount to listed players; it is value accretive for us. There is a niche offering that interest us and excites us at a price that makes sense to us. So, as a holistic package we thought that the deal is one that makes a lot of sense from a complimentary point of view for HDFC Life.

(AnujaChalke/TYBBI-01)