



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

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- **PSU banks mobilise record fund of Rs 58,700 crore from markets in FY'21** : Notwithstanding economic disruptions caused by the pandemic, public sector banks (PSBs) have managed to raise a record Rs 58,700 crore from markets in FY2020-21 through a mix of debt and equity to enhance capital base. This included Rs 4,500 crore raised by Mumbai-based Bank of Baroda from qualified institutional placement (QIP). Punjab National Bank mobilised Rs 3,788 crore through share sale on private placement basis during the financial year ended March 31, 2021. At the same time, Bengaluru-based Canara Bank raised Rs 2,000 crore from QIP, as per data collated from regulatory filings. Series of successful QIP reflect confidence of both domestic and global investors in PSBs and their potential, said a senior official of a public sector bank. In addition, 12 PSBs raised funds from Tier I and Tier II bonds taking the total fund mobilisation to Rs 58,697 crore, highest amount garnered in any financial year.
https://www.business-standard.com/article/finance/psu-banks-mobilise-record-fund-of-rs-58-700-crore-from-markets-in-fy-21-121080100522_1.html#:~:text=Notwithstanding%20economic%20disruptions%20caused%20by,equity%20to%20enhance%20capital%20base.
- **RBI's new rules on interchange fee, 24/7 bulk clearing facility functional** : The Reserve Bank of India's new directions on raising interchange fee and making available the facility of bulk clearing round the clock have become effective from Sunday onwards. The RBI in June raised the interchange fee for financial transactions from Rs 15 to Rs 17, while for non-financial transactions the increase was done from Rs 5 to Rs 6. These new rates have become applicable from August 1, 2021, as per the RBI's direction. An interchange fee is a fee charged by banks to the merchant who processes a credit card or debit card payment. Besides, National Automated Clearing House (NACH) has been made available on all days of the week, effective August 1, 2021. NACH, a bulk payment system operated by the National Payments Corporation of India (NPCI) facilitates one-to-many credit transfers such as payment of dividend, interest, salary and pension.
<https://bfsi.economictimes.indiatimes.com/news/banking/rbis-new-rules-on-interchange-fee-24/7-bulk-clearing-facility-functional/84964759>
- **PM Modi to launch e-RUPI on August 2**: Prime Minister Narendra Modi will launch e-RUPI, a person and purpose specific digital payment solution on Monday via video conferencing. The event will take place at 4.30 pm. e-RUPI is a cashless and contactless instrument for digital payment. e-RUPI is a QR code or SMS string-based e-Voucher, which is delivered to the mobile of the beneficiaries. The users of this seamless one-time payment mechanism will be able to redeem the voucher without a card, digital payments app or internet banking access, at the service provider. e-RUPI connects the sponsors of the services with the beneficiaries and service



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providers in a digital manner without any physical interface. It also ensures that the payment to the service provider is made only after the transaction is completed. Being pre-paid in nature, it assures timely payment to the service provider without involvement of any intermediary. The instrument has been developed by the National Payments Corporation of India on its UPI platform, in collaboration with the Department of Financial Services, Ministry of Health & Family Welfare and National Health Authority.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/pm-modi-to-launch-e-rupi-on-august-2-heres-all-about-the-cashless-digital-payment-solution/articleshow/84947371.cms?from=mdr>

- **MPC meet: RBI likely to maintain status quo on interest rate** : Amid fears of a third wave of coronavirus pandemic and hardening of retail inflation, the Reserve Bank is likely to maintain status quo on interest rate and watch the developing macroeconomic situation for some more time before taking any decisive action on monetary policy. The RBI is scheduled to announce its bi-monthly monetary policy review on August 6 at the end of the three-day meeting -- August 4-6 -- of the Monetary Policy Committee (MPC). The RBI Governor-headed six-member MPC decides on the key policy rates. The panel had left the rates unchanged last time citing concerns on inflation. "Higher commodity prices and rising global prices post the robust recovery in a few industrial countries will have implications on production costs. We expect the RBI to be in a wait-and-watch mode as it has limited elbow room to manoeuvre monetary policies," opined Rumki Majumdar, Economist, Deloitte India.
https://www.business-standard.com/article/economy-policy/rbi-likely-to-maintain-status-quo-on-interest-rate-amid-fears-of-third-wave-121080100422_1.html
- **Govt's revenue collection shows improvement as GST for July stands at Rs 1,16,393 crore** : The government collected Rs 1,16,393 crore GST revenue for the month of July after it dropped below the Rs 1 lakh crore mark in June. The revenue for July is 33% higher than the same period last year when most of the economic activity came under the impact of Covid's first wave. Increased revenue collection has also helped in containing the fiscal deficit in the first quarter, which came in at an eight-year low. GST revenue had shown a consistent improvement as it remained above the Rs 1 lakh crore mark for eight months straight before dipping to Rs 92,849 crore in June as local lockdowns impacted economic activity.
<https://economictimes.indiatimes.com/news/economy/finance/govts-revenue-collection-shows-improvement-as-gst-for-july-stands-at-rs-116393-crore/articleshow/84941796.cms#:~:text=The%20government%20collected%20Rs%201,lakh%200crore%20mark%20in%20June.&text=%22With%20the%20easing%20out%20of,recovering%20at%20a%20fast%20pace.>
- **UPI sets new record in July** : Unified Payments Interface continued to gain in popularity in July and crossed the 300 crore mark in terms of volume and Rs 6 lakh crore in transaction value. Data released by the National Payments Corporation of India revealed that UPI processed 324 crore transactions worth Rs 6.06 lakh crore in July. This reflected the opening up of the economy and was a sharp jump since June when it had processed 280 crore transactions worth



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Rs 5.47 lakh crore. On a daily basis, UPI has been processing 9 to 10 crore transactions recently. As per NPCI's transaction count for July 29, UPI processed 10.44 crore transactions worth Rs 19,154 crore.

<https://www.thehindubusinessline.com/money-and-banking/upi-sets-new-record-in-july/article35662304.ece>

- **IPs to face penalty for non-compliances:** Insolvency regulator IBBI has come up with a novel step to ensure Insolvency Professionals (IPs) better discharge their duties and at the same time help distinguish the performers and non-performers amongst them. It has come up with a graduated system of levy of monetary penalty for minor non-compliances by the IPs. For this purpose, the Insolvency & Bankruptcy Board of India (IBBI) has now directed the three Insolvency Professional Agencies (IPAs) to amend their bye-laws so as to provide maximum and minimum monetary penalty for certain non-compliances by IPs registered with such agencies. Till date, there are three IPAs registered with the IBBI. These are ICSI Institute of Insolvency Professionals, Indian Institute of Insolvency Professionals of ICAI and Insolvency Professional Agency of Institute of Cost Accountants of India.

<https://www.thehindubusinessline.com/money-and-banking/ips-to-face-penalty-for-non-compliances/article35668670.ece>

- **Videocon's Venugopal Dhoot moves NCLAT; says Twin Star Technologies' offer too low:** Videocon group's former promoter Venugopal Dhoot has moved the National Company Law Appellate Tribunal (NCLAT) against the decision of the lenders to accept the debt resolution proposal from a Vedanta group entity. Dhoot has claimed that the offer made by Twin Star Technologies was too low. Banks will take a ₹42,000-crore haircut after the Mumbai Bench of the National Company Law Tribunal (NCLT) approved a bid by Anil Agarwal-backed Twin Star Technologies to acquire Videocon Industries for ₹2,962 crore. Claims worth ₹46,000 crore had been admitted under the insolvency process that began in December 2017. The NCLT, while approving the debt resolution plan, had expressed surprise that the bid placed by the Vedanta Group for acquiring 13 companies under the Videocon Group was almost the same value arrived at by the registered valuers for liquidation.

<https://www.thehindubusinessline.com/money-and-banking/videocons-venugopal-dhoot-moves-nclat-says-twin-star-technologies-offer-too-low/article35668676.ece>

- **₹8,000 crore quantum tech fund awaits budgetary approval:** The ₹8,000 crore quantum technologies fund may get further delayed as the project is yet to get budgetary approval. Announced by the Union Budget in February 2020, the National Mission on Quantum Technologies and Application (NM-QTA) was expected to be launched this month. "The current status of the project is that it is under processing for approvals and allocation of budget," Dr KR Murali Mohan, Scientist-G & Head, Frontier & Futuristic Technologies Division, Department of Science and Technology (DST) said while responding to queries from BusinessLine.

<https://www.thehindubusinessline.com/money-and-banking/8000-crore-quantum-tech-fund-awaits-budgetary-approval/article35668747.ece>



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- **Six of top-10 firms lose Rs 96,642 cr in valuation:** Six of the 10 most valued domestic firms witnessed a combined erosion of Rs 96,642.51 crore in their market valuation last week, with Reliance Industries Limited taking the biggest hit. Last week, the 30-share BSE benchmark dipped 388.96 points or 0.73 per cent. While Reliance Industries, Tata Consultancy Services, HDFC Bank, Hindustan Unilever Limited, HDFC and Kotak Mahindra Bank were the laggards, Infosys, ICICI Bank, State Bank of India and Bajaj Finance were the winners. The market valuation of Reliance Industries tumbled Rs 44,249.32 crore to Rs 12,90,330.25 crore. Tata Consultancy Services witnessed an erosion of Rs 16,479.28 crore to Rs 11,71,674.52 crore in its valuation.
<https://www.thehindubusinessline.com/markets/stock-markets/six-of-top-10-firms-lose-rs-96642-cr-in-valuation-last-week/article35661668.ece>

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