



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
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DAILY NEWS DIGEST BY BFSI BOARD, ICAI

July 18, 2022

- **INDIA'S AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORTS UP BY 14% TO USD 5987 MILLION IN THE FIRST QUARTER :** Continuing with the trend from the previous year, the exports of agricultural and processed food products rose by 14 percent in the first three months of the current Financial Year 2022-23 (April-June) compared to the corresponding period of FY 2021-22. For the year 2022-23, the government had set an export target of USD 23.56 billion for the agricultural and processed food products basket under APEDA. Processed food exports witness growth of 36.4% during the 1st quarter. Of total USD 23.56 billion export target for 2022-23, 25.4% achieved in first three months. India's agricultural products exports had grown by 19.92 per cent during 2021-22 to touch USD 50.21 billion. The growth rate is remarkable as it is over and above the growth of 17.66 per cent at USD 41.87 billion achieved in 2020-21.
<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1842221>
- **MR. MANOJ KUMAR ASSUMES CHARGE AS NEW CHAIRMAN OF KVIC:** The newly-appointed Chairman of Khadi and Village Industries Commission (KVIC), Shri Manoj Kumar assumed the charge on Friday, 15th July 2022. After taking over as the Chairman, Shri Manoj Kumar said realizing Prime Minister Shri Narendra Modi's dream of "Aatmanirbhar Bharat" would be his priority while also establishing maximum number of small and micro units and creating self-employment through various schemes of KVIC to achieve the larger goal of self-reliant India. He said KVIC would continue working on the vision of the PM that would make the youths "Job-givers" instead of being "job-seekers".
<https://pib.gov.in/PressReleaseFramePage.aspx?PRID=1842035#:~:text=KVIC%20Chairman%20Shri%20Manoj%20Kumar,Khadi%20Globally%20will%20be%20Priority&text=The%20newly%20Dappointed%20Chairman%20of,Friday%2C%2015th%20July%202022.>
- **ASHISH KUMAR CHAUHAN APPOINTED AS THE NEXT MD & CEO OF NSE:** SEBI has appointed Ashish Kumar Chauhan as the replacement of outgoing Managing Director and CEO Vikram Limaye of the National Stock Exchange (NSE). Limaye's term at NSE ended on July 16. Ashish Kumar Chauhan is the current MD & CEO of the Bombay Stock Exchange (BSE).
[Ashish Kumar Chauhan appointed as the next MD & CEO of NSE \(moneycontrol.com\)](https://www.moneycontrol.com/news/business/ashish-kumar-chauhan-appointed-as-the-next-md-and-ceo-of-nse-2471187.html)



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- **HDFC BANK Q1 RESULTS: NET PROFIT JUMPS 19% TO ₹9,196 CRORE; NII RISES 14.5%** : HDFC Bank, the country's largest private lender, on Saturday reported a 19% year-on-year (YoY) rise in its net profit for the April-June quarter at ₹9,196 crore after providing ₹2,984.1 crore for taxation. HDFC Bank had posted a net profit of ₹7,729.64 crore in the year-ago period. Net interest income (NII) for the June quarter grew by 14.5% to ₹19,481.4 crore from ₹17,009.0 crore for the same quarter last year. It was driven by advances growth of 22.5%, deposits growth of 19.2% and total balance sheet growth of 20.3%. The private lender's net revenue (excluding trading and Market to Market losses) grew by 19.8% to ₹27,181.4 crore for the June quarter from ₹22,696.5 crore for the same quarter last year. Gross non-performing assets (NPA) were at 1.28% of gross advances as on 30 June this year (1.06% excluding NPAs in the seasonal agricultural segment) as against 1.47% as on 30 June last year, (1.26% excluding NPAs in the seasonal agricultural segment). Net NPA were at 0.35% of net advances as on 30 June, 2022.

[HDFC Bank Q1 results: Net profit jumps 19% to ₹9,196 crore; NII rises 14.5% | Mint \(livemint.com\)](#)

- **HDFC BANK LOST RS 50K-CR CORPORATE LOANS AS COMPETITORS OFFERED LOWER RATES:** HDFC Bank, the country's largest private-sector lender, lost to competition wholesale loans of around Rs 50,000 crore after it increased interest rates in May, said Chief Financial Officer Srinivasan Vaidyanathan in an analyst call.

[HDFC Bank lost Rs 50k-cr corporate loans as competitors offered lower rates | Business Standard News \(business-standard.com\)](#)

- **RCap LENDERS HIVE OFF HOME FINANCE, NBFC INTO SEPARATE TRUST FOR RESOLUTION:** In order to expedite the sale process of bankrupt firm Reliance Capital, its lenders have decided to carve out Reliance Commercial Finance and Reliance Housing Finance clusters into a trust for a separate resolution process. The proceeds of the sale of these two companies in future will flow directly to the lenders of the Reliance Capital which is currently undergoing a bankruptcy process. An asset sale committee, which will be formed to supervise the sale of these two companies, will consist of three members of the CoC, the administrator and a representative of Deloitte. The bidders were told that in the event of failure or delay in the implementation of the resolution process of the housing finance and NBFC arm, the trustee, along with the asset sale committee members, will decide on the alternate sale process in the next one year or as decided by the committee. The combined debt of these two entities, RCF and RHF, is about Rs 25,000 crore and the proposed Trust structure would ensure the bidders of RCAP do not have to deal with this debt. Several lenders, including Life Insurance Corporation of India, have made total claims of Rs 25,333 crore against Reliance Capital.

[RCap lenders hive off home finance, NBFC into separate trust for resolution | Business Standard News \(business-standard.com\)](#)



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- **FRONT-LOADING MONETARY POLICY ACTION CAN ANCHOR INFLATION EXPECTATIONS:RBI:** By front-loading rate hikes, the RBI can cement the credibility of its monetary policy intent and action when it fights supply-side driven inflation on one hand and also contains the negative impact on growth, as per an article. The paper has been authored by three RBI analysts, including Deputy Governor Michael Debabrata Patra who is a member of the rating setting panel Monetary Policy Committee (MPC) and also heads the key monetary policy department at the central bank. Underlining that the current inflation pain is global and supply-side driven and can better tackled by fiscal measures and not monetary policy actions like rate hikes, the article notes that the ongoing supply shocks are larger and unrelenting, carrying the risk of "unanchoring inflation expectations".
[Front-loading monetary policy action can anchor inflation expectations: RBI | Business Standard News \(business-standard.com\)](#)
- **FARMERS' AVERAGE INCOME GREW 1.3-1.7X BETWEEN FY18 AND FY22, SAYS SBI STUDY:** As the government grapples to meet its stated goal of doubling farmers' income by 2022-23, a study by India's largest bank, SBI, shows that between financial year 2017-18 and 2021-22, the average income of farmers rose by 1.3 -1.7 times across India, while in some crops like soybean in Maharashtra and cotton in Karnataka, incomes have in fact doubled during the same time.
[Farmers' average income grew 1.3-1.7x between FY18 and FY22, says SBI study | Business Standard News \(business-standard.com\)](#)
- **GOVT RELEASES NATURAL RESOURCE ACCOUNTING TO TRACK MINERAL, ENERGY DEPOSITS:** The Government Accounting Standards advisory board (GASAB) has come up with a Natural Resource Accounting (NRA) for tracking and maintaining the natural resources of India. GASAB had prepared templates for the asset accounts for mineral and energy resources which were field-tested and reviewed by the experts in the consultative committee. As on date, all 28 states and one Union Territory (J&K) have prepared the asset accounts for 2020-2021. The asset accounts captured details of 34 major minerals, 58 minor minerals and all four fossil fuels. GASAB has developed standard operating procedures to ensure automated collection and compilation of data from 2022-23.
[Govt releases Natural Resource Accounting to track mineral, energy deposits | Business Standard News \(business-standard.com\)](#)
- **INDONESIA REMOVES PALM OIL EXPORT LEVY UNTIL AUGUST 31:** Indonesia has scrapped its export levy for all palm oil products until Aug. 31 in a fresh attempt to boost exports and ease high inventories, finance ministry officials said on Saturday, adding the move would not disrupt government revenues. The decision by the world's biggest palm oil exporter could further depress prices, which have fallen by about 50% since late April to their lowest in over a year.
[Indonesia Palm Oil: Indonesia removes palm oil export levy until August 31 - The Economic Times \(indiatimes.com\)](#)



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- **TATA STEEL TO INVEST RS 12,000 CR IN FY23 ON INDIA, EUROPE OPERATIONS:** Tata Steel has planned capital expenditure (capex) of Rs 12,000 crore on its India and Europe operations during the current financial year, the company's Chief Executive Officer T V Narendran said. The domestic steel major plans to invest Rs 8,500 crore in India and Rs 3,500 crore on the company's operations in Europe, Narendran, who is also the Managing Director (MD) of Tata Steel, told PTI in an interview. On Tata Steel's CAPEX plans for FY23, he said: "We have planned for about Rs 12,000 crore of capex for the year of which about Rs 8,500 crore will be spent in India and the balance in Europe."
[Tata steel capex: Tata Steel to invest Rs 12,000 cr in FY23 on India, Europe operations: CEO Narendran - The Economic Times \(indiatimes.com\)](#)
- **ZERO COUPON, ZERO PRINCIPAL BOND DECLARED SECURITIES:** The Finance Ministry has declared zero coupon zero principal instruments (ZCZP) as securities. Experts say this will help many organisations including corporates to utilise their fund marked for social responsibility and also help non-profit organisations to get funds in a more transparent manner. In simple words, neither any interest is paid nor principal is repaid under ZCZP.
[Zero coupon, zero principal bond declared securities - The Hindu BusinessLine](#)
- **GOVERNMENT LIKELY TO INTRODUCE BILLS TO AMEND COMPETITION, INSOLVENCY LAWS:** The government is likely to propose amendments to the competition and insolvency laws as it seeks to further strengthen the regulatory regime as well as address the needs of new age markets. The bills to amend these laws have been listed for introduction, consideration and passing in the monsoon session of Parliament that starts on Monday. The Competition Act, 2002, and the Insolvency and Bankruptcy Code, 2016 are being implemented by the corporate affairs ministry. The Competition (Amendment) Bill, 2022 seeks to carry out certain essential structural changes in the governing structure of the CCI and changes to substantive provisions to address the needs for new age markets, according to a Lok Sabha bulletin. In recent times, the Competition Commission of India (CCI) has ordered probes as well as passed various orders with respect to alleged unfair business practices in the growing digital markets. CCI, set up under the Competition Act, has the mandate to promote competition and curb unfair business ways across sectors. Besides, The Insolvency and Bankruptcy Code (Amendment) Bill, 2022 is set to be introduced during the monsoon session of Parliament. The bill seeks to strengthen the Code by introducing provisions on cross border insolvency. Also, certain other amendments are proposed to be effected to the corporate insolvency resolution process and liquidation process to further its objectives of time-bound resolution of stressed assets while maximising their value, as per the bulletin.
[Govt likely to introduce bills to amend competition, insolvency laws | Business Standard News \(business-standard.com\)](#)



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RBI KEY RATES

Repo Rate: 4.90%
SDF: 4.65%
MSF & Bank Rate: 5.15%
Fixed Reverse Repo Rate: 3.35%
CRR: 4.50%
SLR: 18.00%

FOREX RATES (AS PER FBIL FRIDAY 1.30 PM)

INR / 1 USD : 79.8797
INR / 1 GBP : 94.4034
INR / 1 EUR : 80.0134
INR /100 JPY: 57.5300

EQUITY MARKET

Sensex: 53760.78 (+344.63)
NIFTY: 16049.20 (+ 110.55)

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