



**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 27, 2022

- **BUDGET FOR DEPARTMENT OF AGRICULTURE AND FARMERS' WELFARE UP BY 465% TO RS. 124000 CRORE IN 2022-23 OVER 2013-14:** Budget for Department of Agriculture and Farmers' Welfare (DA&FW) has been increased from Rs. 21933.50 crore (2013-14) to Rs. 124000 crore (2022-23), which is 465% increase for implementation of various agricultural development and welfare schemes aiming to increase agriculture production and farmers' welfare across the country. Besides, Rs. 8513.62 crore have been allocated during 2022-23 to Department of Agricultural Research and Education for development of several new high yielding, biotic/ abiotic stress tolerant, disease/ insect resistant and bio-fortified varieties of seed, etc. Further, Ministry of Agriculture and Farmers Welfare is implementing Per Drop More Crop (PDMC) which focuses on enhancing water use efficiency at farm level through Micro Irrigation viz. Drip and Sprinkler Irrigation System. An area of 68 lakh ha under micro-irrigation has been covered during 2015-16 to 2020-21 under PMKSY-PDMC. This information was given by the Union Minister of Agriculture and Farmers Welfare, Shri Narendra Singh Tomar in a written reply in Lok Sabha on 26 July 2022.
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1845110>
- **ECGC INTRODUCES NEW SCHEME PROVIDING ENHANCED EXPORT CREDIT RISK INSURANCE COVER UP TO 90% FOR SMALL EXPORTERS:** ECGC has introduced a new scheme to provide enhanced export credit risk insurance cover to the extent of 90% to support small exporters under the Export Credit Insurance for Banks Whole Turnover Packaging Credit and Post Shipment (ECIB- WTPC & PS). The scheme is expected to benefit a number of small-scale exporters availing of export credit with banks which hold the ECGC WT-ECIB covers. Addressing a press conference in Mumbai today, ECGC Chairman M Senthilnathan said, "We expect the cover to play a game changing role. We expect this to bring up percentage of accounts with up to Rs. 20 crore, thereby lending further stability to ECGC portfolio". The enhanced cover shall be available for manufacturer- exporters availing fund-based export credit working capital limit up to ₹ 20 crore (i.e., total Packaging Credit and Post Shipment limit per exporter/exporter-group) excluding the Gems, Jewellery & Diamond sector and merchant exporters/traders. This new scheme will enable the banks holding ECGC's WT-ECIB cover to explore the possibility of reducing interest rates further so that all the stakeholders are benefitted. The enhanced cover percentage shall be made available to State Bank of India as per the previous year's premium rate in view of its favourable claim premium ratio. However, for other Banks there may be a moderate increase in the prevailing premium rates.
<https://pib.gov.in/PressReleasePage.aspx?PRID=1845036>



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- **UNION BANK OF INDIA Q1 PROFIT UP 32 PER CENT AT ₹1,558 CRORE:** Union Bank of India reported a 32 per cent year-on-year (yoy) increase in first quarter standalone net profit at Rs 1,558 crore growth on the back of growth in net interest income, decline in employee cost and provision write back on standard assets even as its advances grew at a decent clip and asset quality improved. Gross non-performing assets (GNPAs) position improved to 10.22 per cent of gross advances as at June-end 2022 against 11.11 per cent as at March-end 2022. Net NPAs (NNPA) position, too, improved to 3.31 per cent against 3.68 per cent.
[Union Bank of India Q1 profit up 32 per cent at ₹1,558 crore - The Hindu BusinessLine](#)
- **MASTERCARD ENABLES OVER 2 LAKH ONLINE MERCHANTS WITH TOKENISATION :** In line with the Reserve Bank of India's (RBI) directive, mandating card-on-file (COF) tokenisation for merchants, Mastercard on Tuesday announced that it has enabled over two lakh online merchants of all sizes across the country with card-on-file tokenisation. Card-on-file tokenisation, as mandated by the RBI, replaces sensitive payment credentials of cardholder such as card number and expiry date with an alternate number which is called token. It inhibits entities in the transaction value chain from collecting and saving cardholders' details, providing an additional layer of security that enhances consumer confidence and trust. Additionally, Mastercard's collaboration with payment aggregators such as Juspay, PayU, Razorpay, BillDesk and Paytm have already enabled countless merchants to process token-based transactions. The number of merchants adopting tokenisation is expected to increase further in the run up to the RBI's September 30 deadline.
[Mastercard enables over 2 lakh online merchants with tokenisation - The Hindu BusinessLine](#)
- **IMF CUTS INDIA'S FY23 GROWTH FORECAST BY 80 BPS TO 7.4%:** The International Monetary Fund (IMF) has cut its gross domestic product (GDP) growth forecast for India for the current financial year by 80 basis points to 7.4 percent. A similar downgrade has been made to the growth forecast for FY24, which now stands at 6.1 percent as against 6.9 percent earlier. "For India, the revision reflects mainly less favourable external conditions and more rapid policy tightening," the IMF said on July 26 in an update to its World Economic Outlook report.
[IMF cuts India's FY23 growth forecast by 80 bps to 7.4% \(moneycontrol.com\)](#)
- **COMPETITION COMMISSION CLEARS AXIS BANK-CITI DEAL:** Competition Commission has approved Axis Bank's proposed acquisition of Citi's consumer business in India, one of the largest deals in the country's financial services space. Under the deal worth Rs 12,325 crore, announced on March 30, Axis Bank would take over Citi's credit cards, personal loans and wealth management businesses that are focused on the affluent segment.
[Competition Commission clears Axis Bank-Citi deal \(moneycontrol.com\)](#)



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- **5G SPECTRUM AUCTION: BID AMOUNT EXCEEDS RS 1.45 LAKH CR ON 1ST DAY OF BIDDING, SAID TELECOM MINISTER ASHWINI VAISHNAW:** 5G spectrum auction: Bid amount exceeds Rs 1.45 lakh cr on 1st day of bidding, said Telecom Minister Ashwini Vaishnaw. Bids also received for 700 MHz band frequencies, he added. We hope to complete spectrum allocation by August 15 and 5G services are expected to be implemented in many cities by 2022-end, he said. (PTI)
[5G Spectrum Auction | Government receives Rs 1.45-lakh-crore bids on debut day \(moneycontrol.com\)](#)
- **FLIPKART PARTNERS WITH POCKET FM TO ENTER THE AUDIOBOOKS SEGMENT:** E-commerce company Flipkart has entered the audiobooks category through a partnership with audio streaming platform Pocket FM. With the collaboration, Flipkart would provide exclusive and licensed audiobooks through Pocket FM to its customer base of over 400 million, a release said on Tuesday. Pocket FM, which officially launched its audiobook platform in March this year, sells over 1,20,000 audiobooks every month, according to the release.
[Flipkart partners with Pocket FM to enter the audiobooks segment | Business Standard News \(business-standard.com\)](#)
- **FRAUDS REPORTED BY PSBS DECLINE TO RS 3,204 CR IN FY22: MOS FINANCE:** The amount involved in fraud cases reported by public sector banks (PSBs) has come down to Rs 3,204 crore in the last fiscal from Rs 28,884 crore in 2017-18, Parliament was informed on Tuesday. As per the RBI data, PSBs reported 5,624 cases of fraud in 2017-18, involving Rs 28,884 crore. In 2018-19, a total of 9,092 cases were reported amounting to Rs 26,720 crore, while in 2019-20, the number of frauds rose to 11,074, involving a monetary value of Rs 21,170 crore, Minister of State for Finance Bhagwad Karad said in a written reply to the Rajya Sabha. In 2020-21, PSBs reported 4,680 fraud cases of Rs 7,306 crore, which declined to 2,369 cases corresponding to Rs 3,204 crore in 2021-22, he added. The gross NPAs (non-performing assets) of these banks fell to Rs 5,41,750 crore from Rs 6,16,616 crore in 2020-21, Karad said.
[Frauds reported by PSBs decline to Rs 3,204 cr in FY22: MoS Finance | Business Standard News \(business-standard.com\)](#)
- **EIGHT PSBs JOIN THE ACCOUNT AGGREGATOR ECOSYSTEM AHEAD OF DEADLINE:** As many as eight major Public Sector Banks banks (PSBs), including State Bank of India (SBI), have joined the account aggregator ecosystem in some form or the other as the deadline set out by the finance minister is ending soon. The remaining four are still in the testing phase and are expected to join the ecosystem soon. According to the information put out by Sahamati, an industry alliance for the account aggregator ecosystem, Canara Bank, Bank of India (BoI), Indian Bank, Punjab National Bank, Union Bank of India, SBI, Bank of Maharashtra and UCO Bank have gone live on the ecosystem. Major private banks such as HDFC Bank, ICICI Bank, Axis Bank, IndusInd Bank, Kotak Mahindra Bank and Federal Bank have been the early ones to get on board the ecosystem. So far, there are nine private sector banks which have gone live.
[Eight PSBs join the account aggregator ecosystem ahead of deadline | Business Standard News \(business-standard.com\)](#)



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- **STATES BORROWING COST SLIPS TO 7.90%:** After touching nearly 8 per cent last week, the states breathed a little easy on Tuesday as the cost of their borrowings eased marginally to 7.90 per cent. The weighted average cost of states' borrowings inched down by 6 basis points to 7.90 per cent at the latest auctions of state development loans (SDLs) as state debt is known, when nine states collectively raised Rs 18,700 crore from the markets on Tuesday.
[States borrowing cost slips to 7.90% - BusinessToday](#)
- **INDIA BOOSTED RUSSIAN OIL IMPORTS IN APRIL-MAY BY MORE THAN 400,000 BPD:** India cranked up Russian oil imports by 4.7 times in April - may, or by more than 400,000 barrels per day (bpd), year-on-year, thanks to a price discount, the Russian central bank said on Tuesday. Indian refiners have been snapping up relatively cheap Russian oil, shunned by Western companies and countries since sanctions were imposed against Moscow for what it calls a "special military operation" in Ukraine. The central bank also said that China increased Russian oil purchases by 55% in May as Russia surpassed Saudi Arabia as the top oil seller to China.
[India boosted Russian oil imports in April-May by more than 400,000 bpd - The Economic Times \(indiatimes.com\)](#)



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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 1.30 PM)

INR / 1 USD : 79.8488
INR / 1 GBP : 95.5769
INR / 1 EUR : 81.4458
INR /100 JPY: 58.5400

EQUITY MARKET

Sensex: 55268.49 (-497.73)
NIFTY : 16483.85 (-147.15)

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