



# March 2022 FEDAI NEWS LETTER

## Rupee Export Credit Interest Equalisation Scheme

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12252&Mode=0>

GoI extended the scheme with revised scope up to March 31, 2024 or till further review, whichever is earlier. Revised interest equalisation rates under the Scheme will now be 3 per cent for MSME manufacturer exporters exporting under any HS lines, and 2 per cent for manufacturer exporters and merchant exporters exporting under 410 HS lines (after excluding 6 HS lines pertaining to Telecom Sector as mentioned above). Benefits in this scheme henceforth are not available to beneficiaries in any Production Linked Incentive (PLI) scheme of the Government of India. Banks have to lodge their claim of interest equalization for the period from October 01, 2021 to March 31, 2022 to RBI on or before April 30, 2022.

All exporters seeking benefit under this scheme need to apply online for obtaining a Unique IES Identification Number (UIN) from the DGFT which is required to be furnished to banks. The UIN Number so generated shall have a validity of 1 year from the date of registration.

## FATF Plenary session outcome

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53427](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53427)

In the 6<sup>th</sup> Plenary of the FATF concluded on March 4, 2022, FATF finalised and approved the FATF Methodology to assess countries' actions to combat money laundering and the financing of terrorism and proliferation and the FATF Procedures for the fifth round of mutual evaluations.

In March 2022, United Arab Emirates is included in the list of jurisdictions under increased monitoring while Zimbabwe was dropped from this list. When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the "grey list".

Jurisdictions currently under increased monitoring are Albania, Barbados, Burkina Faso, Cambodia, Cayman Islands, Haiti, Jamaica, Jordan, Mali, Malta, Morocco, Myanmar, Nicaragua, Pakistan, Panama, Philippines, Senegal, South Sudan, Syria, Turkey, Uganda, United Arab Emirates & Yemen.

## India's merchandise exports cross USD 400 billion

India, thanks to consistent policy support, achieved merchandise export target of USD 400 billion for FY-22. The achievement was backed by strong performance in sectors like petroleum products, precious and semi-precious stones, engineering goods, drugs and pharmaceuticals.

## BE(A)WARE – A Booklet on Modus Operandi of Financial Frauds

<https://rbidocs.rbi.org.in/rdocs/content/pdfs/BEAWARE07032022.pdf>

RBI has released a booklet, "BE(A)WARE" on the common *modus operandi* used by fraudsters and precautions to be taken while carrying out various financial transactions. The booklet aims to enhance public awareness about various types of financial frauds perpetrated on gullible customers while carrying out digital payments and other financial transactions. The booklet also elaborates on safeguards against commonly used fraudulent techniques.

## RBI: Occasional Papers Vol. 42, No. 1: 2021

<https://rbidocs.rbi.org.in/rdocs/Content/PDFs/40TCDERIVATIVESEMERGING69F311E70E2244A7BCBE5821D3AD60E8.PDF>

Rajib Das, Narayan Chandra Pradhan and Rajat Malik published a paper titled 'Derivatives in Emerging Market and Developing Economies: The Role of Global Liquidity and Regulatory Reforms'.

## Foreign Trade Policy 2015-20

<https://content.dgft.gov.in/Website/dgftprod/f3e0536b-7935-4e6c-899e-00cf5e4532f1/Notification%20No%2064%20English.pdf>

The Government of India extended validity period of FTP 2015-20 till 30<sup>th</sup> September 2022. Simultaneously, the Handbook of Procedure also be valid up to 30<sup>th</sup> September 2022.

## ICC News

- Practical guide "Implementing the URDTT" published by ICC Banking Commission is available for free download on ICC webpage Knowledge 2 GO
- ICC India (National Committee) has issued 'Arbitration White Paper'
- ICC under Digital Standards Initiative (DSI) released "Standards Toolkit for Cross-border Paperless Trade"

## FEDAI workshops & training activities

- Upcoming Monthly Discussion: 11<sup>th</sup> April 2022 – On "India's Merchandise Exports Exceeds \$ 400 billion, What Next?" with Dr. Soumya Kanti Ghosh, Group Chief Economic Advisor, State Bank of India.
- Upcoming FEDAI workshop
  - 20<sup>th</sup> April 2022 – One Day Online workshop on Forex Retail Business
  - 27<sup>th</sup> April 2022 – One Day Online workshop on Foreign Direct Investment

## Upcoming Market Events

- RBI MPC Meeting 6<sup>th</sup>-8<sup>th</sup> April 2022
- FOMC Meeting 3<sup>rd</sup> - 04<sup>th</sup> May 2022
- ECB Monetary Policy Meeting 14<sup>th</sup> April 2022
- GTR India 2022 event is scheduled on 24 May 2022 in Mumbai. FEDAI will join as (Non-financial) partner.

## Market News

- Shri Shaktikanta Das, Governor (RBI), inaugurated the Reserve Bank Innovation Hub (RBIH) in Bengaluru. It has been set up to encourage and nurture financial innovation.
- Shri Debasish Panda (IAS) joined Insurance Regulatory and Development Authority of India as Chairman, on 14<sup>th</sup> March 2022.
- Shri Ashwani Bhatia (MD, SBI) has been appointed as Whole Time Member at SEBI. Sh. Rajesh Verma, Secretary, Ministry of Corporate Affairs (MCA) & Sh. Ajay Seth, Secretary, Department of Economic Affairs (DEA) are also nominated as members of the board at SEBI.
- Banks Board Bureau recommended Ms. A Manimekhalai for the position of MD & CEO in Union Bank of India, Shri Ajay Kumar Srivastava for the position of MD & CEO in Indian Overseas Bank and Shri Swaroop Kumar Saha for the position of MD & CEO in Punjab & Sind Bank.
- Shri. Pralay Mondal has been appointed interim Managing Director and CEO of CSB Bank
- International Financial Services Centres Authority invited public comments on draft 'IFSCA Guidance framework on Sustainable and Sustainability linked lending by financial institutions (including IBU) in IFSCs.
- The Government of India has decided and vide public notice dated 24 March 2022 advised extension of the validity of FCRA registration certificate of certain categories of FCRA Registered Entities; please visit [www.fcraonline.nic.in](http://www.fcraonline.nic.in).

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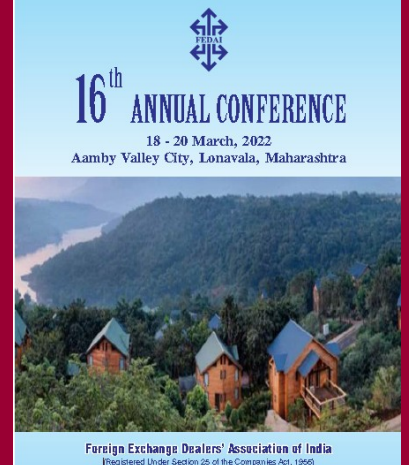
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## FEDAI Annual Conference 2022



XVI<sup>th</sup> FEDAI Annual Conference was held from 18<sup>th</sup> to 20<sup>th</sup> March 2022 at picturesque Aamby Valley City, Lonavala. Shri Rajay Sinha, Chairman FEDAI welcomed the delegates.

Shri. R. Subramanian, ED – RBI opened the business session with brief speech talking about Regulations facilitating Integration of Indian Markets with Global Markets, Current Trend and Insight into the Future; followed by address by Shri H. K. Jena – MD, CCIL.

Dr. Deepak Kumar, ED – RBI addressed participants in the afternoon session emphasizing the importance and increased regulatory focus for digitization of international trade. Shri S. V. Sastry, Chairman, FIMMDA and Dy MD, SBI also addressed the delegates.

The topics of two panel discussions were 'Improving interlinkages of Indian Financial Markets with Global Markets' and 'Changing dynamics of International Trade with rapid digitization'.

Conference was attended by 123 participants representing the Regulator, FEDAI Members and other industry bodies FIMMDA, CCIL, Bombay Stock Exchange.

Shri. Madhur Agarwal, Head – Local Market Sales & DCM, India - JP Morgan Chase Bank N.A. gave a vote of thanks.

- :Please get yourself vaccinated at the earliest: -