FrankBanker®

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LATEST FACTS

Repo : 4.90% | Rev Repo: 3.35% | Fx Reserves: $596.5

CPI Inflation : 7.04% (May 22) | GDP Growth: 8.7% (2021-22)

Bitcoin: ₹14,40,847.73 | Ethereum : ₹80,672

Brent Crude : $113.6 | USD/INR: ₹77.95

INSIDE

- RBI Actions this week
- Chemical Industry in India
- WPI and CPI Divergence
- Fintech and Banking News

NEW

FINTECH AND BANKING JOBS

RBI ACTIONS

1. RBI lifted restrictions on **Mastercard** for on-boarding of new customers. These restrictions were imposed in July 2021 for non-compliance of ***Storage of Payment System Data*** norms.

- Vide its circular of 6 April, 2018, RBI mandated that all Payment system providers should store entire data relating to payment systems operated by them, in India
- **Amex** and **Diners card** continue to be under restrictions due to non-compliance of these norms.

2. RBI **increased the limit of processing e-mandates** through Cards or UPI without Additional Factor Authentication (AFA) from ₹5000 to ₹15000

3. RBI cancelled the license of Millath Co-operative Bank Ltd., Davangere, Karnataka citing inadequate capital

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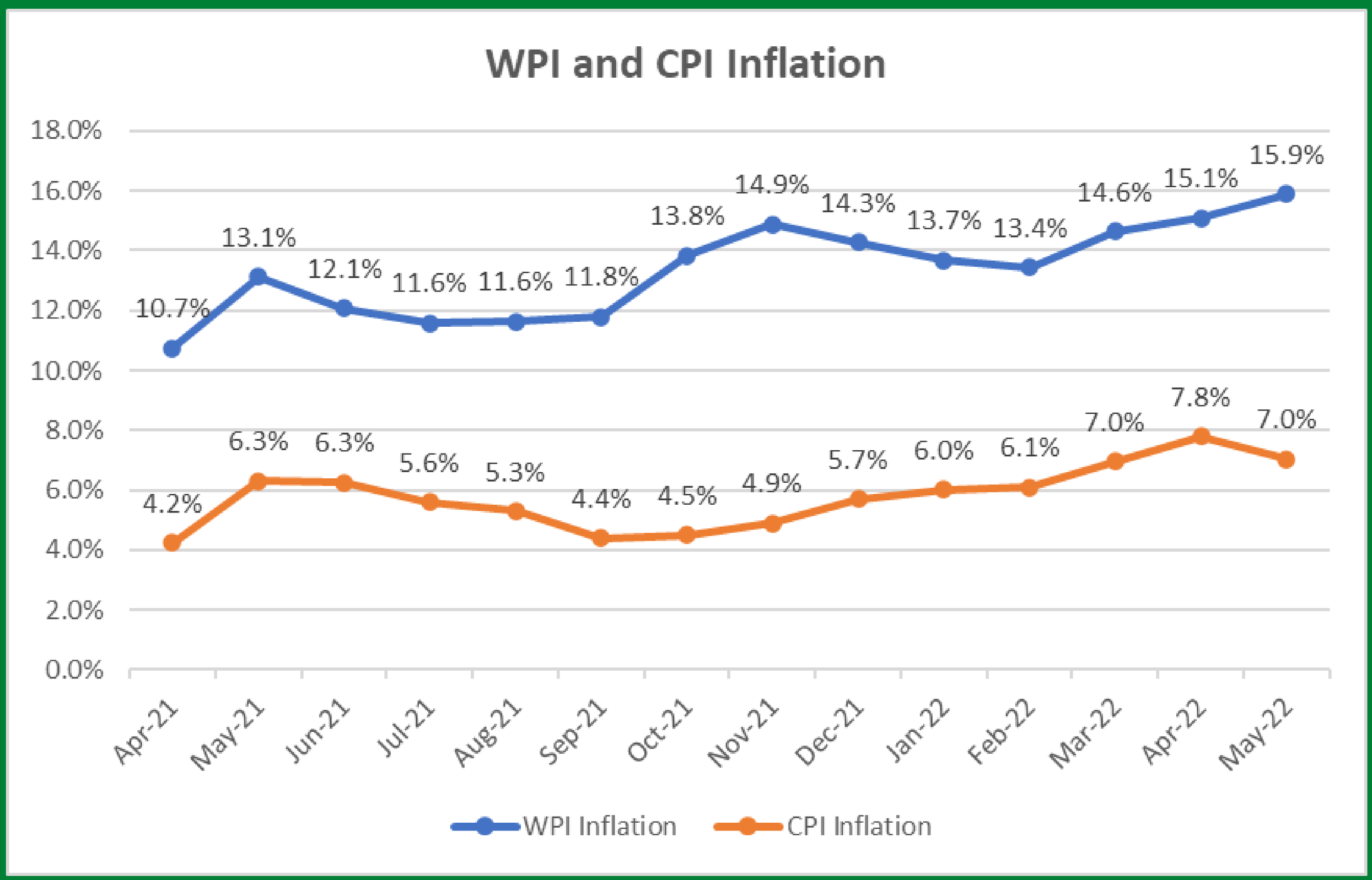
DATA STORY

WPI and CPI Divergence

- Analysing the last one year's WPI and CPI inflation, the trend indicates almost similar gradient. WPI inflation has remained above 10% through the year

- A higher divergence in April and May 22 is visible however, Oct-Dec 21 saw WPI spike and highest divergence level



Data Source: EA office/RBI

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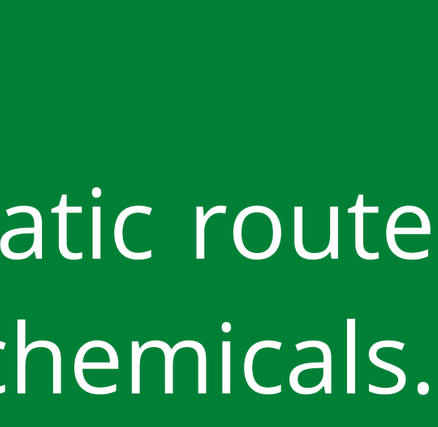
SECTOR STORY

Chemicals Industry in India 1/2

- **Current State**
  a. India is the 6th largest producer of Chemicals in the world, 3rd in Asia and 17th in export of chemicals (excl Pharma)
  b. India is 4th largest producer of agrochemicals in the world and ~16% to hw world's Dye exports
  c. Chemical industry is estimated to reach a market size of $ 300 bn in 2024-25
  d. Agrochemicals and Fertilizers form a large part of India's production and exports

- **FDI :** 100% FDI is allowed under automatic route in except in the case of hazardous chemicals. India received $19.4 Bn FDI during 2000-2022

- **PLI :** Production-Linked Incentive (PLI) Scheme in Advance Chemistry Cell Battery with outlay of ₹18100 crs



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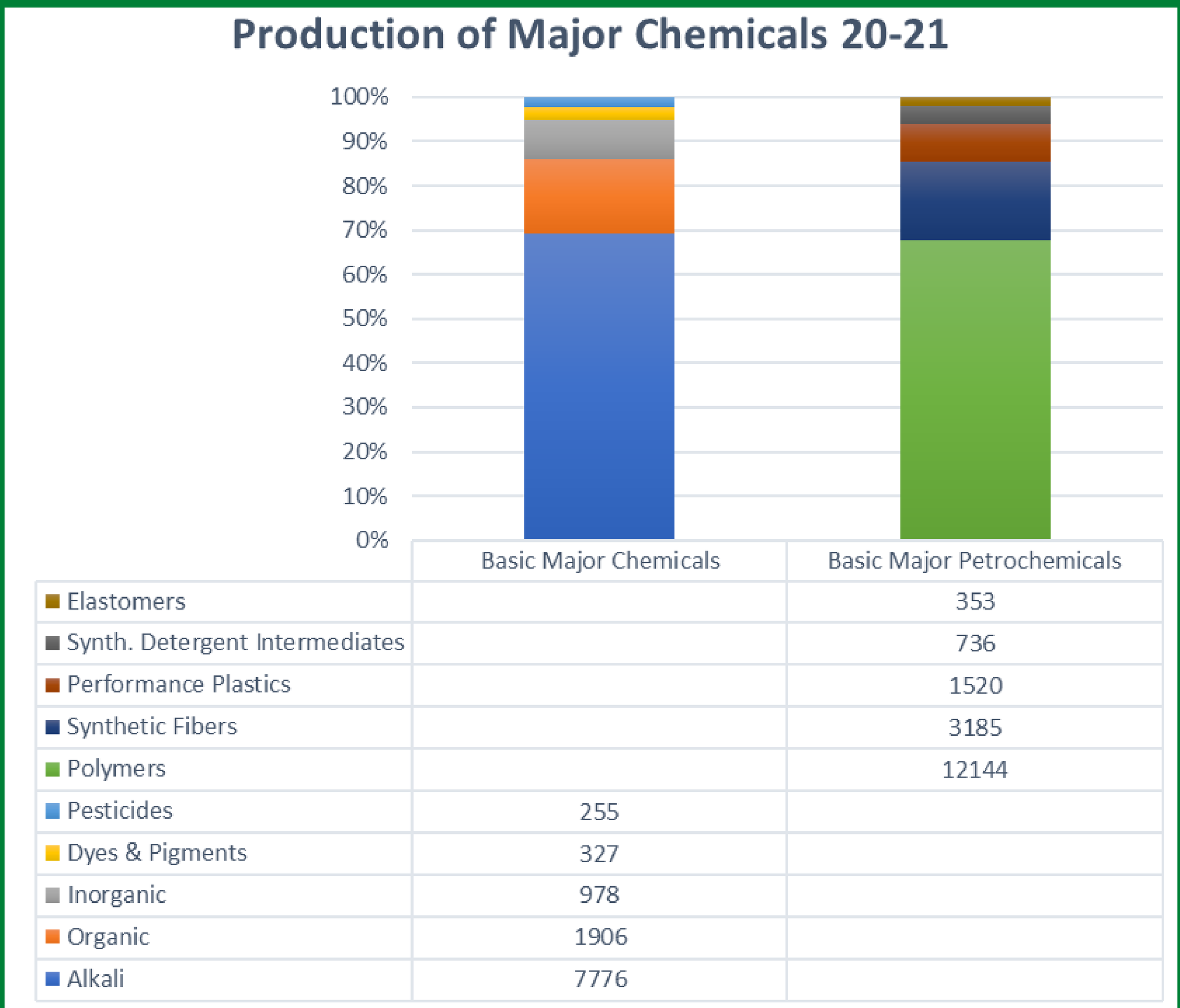
SECTOR STORY

Chemicals Industry in India 2/2

Production of Basic Major Chemicals



	Basic Major Chemicals	Basic Major Petrochemicals
Elastomers		353
Synth. Detergent Intermediates		736
Performance Plastics		1520
Synthetic Fibers		3185
Polymers		12144
Pesticides	255	
Dyes & Pigments	327	
Inorganic	978	
Organic	1906	
Alkali	7776	

- Polymers contribute 41% followed by Alkali Chemicals 26% of the total production
- Overall production has increased at a modest CAGR of 3.18% between 2017 to 2021. However Exports of Organic Chemicals and Synthetic rubber have grown at ~14% CAGR of during same period

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FINTECH NEWS

- **PayGlocal**, a payment solution fintech,raised $12 Mn in Series B round led by Tiger Global and includes Sequoia

- **WeRize**, a lending and insurance reselling fintech, raised $15.5 Mn in a Pre-Series B round led by its existing investor 3one4 Capital, along with Kalaari and Picus

- **Gullak.Money**, a savings and investment app, raised $1.3 million in its pre-seed round from Better Capital and Stellaris Ventures Partners

- **DPDzero**, a borrower data analyser platform provider,₹3.9 crore in a funding round led by Better capita and including Cred's Kunal Shah and Flexilona's Abhishek Kothari

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LATEST IN BANKING

- **US Federal Reserve raised policy rates** by 75 bps in a move to curb the spiralling inflation (8.6% CPI in May 22). The action leads to short term rates in US moving to 1.50%-1.75% range.

- **Fitch Ratings revised the rating outlook for 9 India-based banks** from 'Negative' to 'Stable'. This includes SBI, ICICI Bank, Axis Bank, Bank of Baroda, Bank of India, Canara Bank, PNB and Union Bank of India

- **Government has declared the IT infrastructure of ICICI Bank, HDFC Bank and NPCI as 'critical information infrastructure'** under Section 70 of the IT Act, 2000, implying any attack/harm to these have national security implications and unauthorise access these can lead to jail. The infra includes CBS, RTGS, NEFT, SFMS and their respective associated IT systems.

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JOBS

Fintech and Banking Jobs

Company : **Fable Fintech**
Role: P**roject Manager**
Link : *https://frankbanker.com/forum/project-manager-fable-fintech/*

Company: **EFUNDZZ**
Vertical : Credit Process and Technology design
Designation : **Manager- Credit Policy and Process**

Link: *https://frankbanker.com/forum/manager-credit-policy-and-process/*

Company : **FlexiLoans**
Roles: **Data Science Manager -Growth**
Link : *https://frankbanker.com/forum/data-science-manager-growth/*

For more jobs

https://frankbanker.com/forum/jobs/

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LET'S KEEP LEARNING

TERM OF THE WEEK

- **Cost of Goods Sold** or COGS, as the name suggests is a sum total of all costs required to sell the goods

- This includes all direct costs like raw material consumption, labour, factory rental, power, fuel but excludes administrative expenses, overheads, marketing costs

- In particular, COGS requires only consumption of materials to be accounted for an therefore adjustment is done accordingly (Consumption= Opening stock+ Purchases- Closing Stock)

- Revenue - COGS gives the **Gross Margin** of the company

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Announcement

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