ICMAI
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
भारतीय लागत लेखाकार संस्थान
Statutory Body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003
Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

DAILY NEWS DIGEST BY BFSI BOARD

01 August 2026

ECONOMY

Fiscal deficit at 18.2% of FY27 target in Q1 as govt steps up capex: India's fiscal deficit reached 18.2 percent of the full-year Budget Estimate in the first quarter of FY27, marginally higher than 17.9 percent in the corresponding period last year, as the government maintained a faster pace of capital expenditure. According to the Controller General of Accounts (CGA), the Centre's fiscal deficit stood at Rs 3.08 lakh crore during April-June, compared with a full-year target of Rs 16.96 lakh crore. The higher deficit reflected the government's continued focus on investment-led growth. Capital expenditure rose to Rs 3.40 lakh crore, or 27.8 percent of the annual target, compared with 24.5 percent achieved in the same period of FY26.
(Moneycontrol)

Capex grew by over 23% in April-June quarter: Capital expenditure showed a strong growth of over 23 per cent during April-June quarter of current fiscal, data released by Controller General of Accounts on Friday showed. Since revenue receipt growth was low at over 11 per cent, this pushed the fiscal deficit higher by around 9 per cent. The deficit, as percentage of annual target, prescribed in the Budget, reached 18.2 per cent during the first quarter, slightly higher than 17.9 per cent during last fiscal. The Centre has set a fiscal deficit target of 4.3 per cent of the GDP or Rs.16.96 lakh crore in the current fiscal.
(Business Line)

India's forex reserves rise to $682.35 bn on higher foreign currency assets: India's foreign exchange reserves rose by $6.12 billion to $682.35 billion during the week ended July 24, according to data released by the Reserve Bank of India (RBI) on

Friday. The total reserves increased due to a rise in foreign currency assets (FCAs), the largest component of the reserves, by $4.87 billion to $555.93 billion during the reported week. Gold reserves also increased by $1.31 billion during the week. Special Drawing Rights (SDRs) decreased by $53 million to $18.62 billion, while India's reserve position with the International Monetary Fund (IMF) declined by $11 million to $4.75 billion.

(Business Standard)

BANKING & FINANCE

RBI delays Basel III disclosure rules: The Reserve Bank of India on Thursday postponed the final Basel III disclosure guidelines for banks to April 2027, from September 30, 2026, after considering stakeholder feedback. This is intended to give banks time to implement the necessary system and process upgrades. The RBI said banks must begin quarterly disclosures with the quarter ending June 30, 2027, and continue every quarter thereafter. For semi-annual disclosures, the first will cover the half-year ended September 30, 2027, with subsequent reports every six months. Annual disclosures will start with the financial year ended March 31, 2028, and thereafter on an annual basis. The Basel III disclosures include key metric such as risk-based capital ratios, leverage ratio and liquidity standards, bank risk management approach and overview of risk-weighted assets. Pillar 3 of the Basel Framework aims to promote market discipline through regulatory disclosure requirements. The RBI also exempted public sector banks from disclosures on remuneration.

(Financial Express)

Some bottlenecks: FCNR deposits from UAE come in big; some say flow could be bigger: The UAE is poised to spearhead India's special FCNR(B) deposit scheme, with enticing dollar rates and beneficial tax incentives attracting considerable client interest. Bank officials project that more than ten billion dollars have already been sourced from the UAE. Although operational limitations for bank representatives create

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hurdles, the robust Indian expatriate community plays a vital role in enhancing contributions to this initiative.

(Economic Times)

Loan growth remains strong, shows latest RBI sectoral data: Banking credit to industries showed robust growth, increasing 19.2 percent year on year. Personal loan growth also remained strong, rising 16 percent compared to last year. Medium enterprises experienced the fastest credit growth, surging 30 percent year on year. Petroleum, coal products, and gems and jewellery sectors saw significant expansion. Loan against gold jewellery emerged as the fastest growing personal loan segment.

(Economic Times)

RBI asks banks to install fake currency detection machines at branches along international borders: The Reserve Bank on Friday directed banks to ensure that their branches in the districts with international borders are equipped with note authentication/sorting machines, as it found that efforts of some of the lenders were not adequate for the detection of counterfeit currency.

(Economic Times)

Govt extends IFSC Authority Chairman K Rajaraman's tenure till Oct 2028: The government has extended the tenure of the Chairman of the International Financial Services Centres Authority (IFSCA), K Rajaraman, for 27 months. The Central Government hereby re-appoints K Rajaraman to the post of Chairperson, IFSCA, for a period beyond July 31, 2026 till attaining the age of 65 years, or until further orders, whichever is earlier, the finance ministry said in a gazette notification dated July 30.

(Economic Times)

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INDUSTRY OUTLOOK

Cabinet clears Rs 84,084-crore incentive for offshore oil hunt: The Union Cabinet on Friday approved a Rs.84,084-crore incentive scheme for offshore hydrocarbon drilling. This entails government support of up to 50% of eligible drilling costs or Rs.675 crore per well, whichever is lower, for 60 deepwater exploratory units. The move seeks to reverse declining domestic oil and gas output and reduce India’s vulnerability to global supply shocks like the one after the onset of the West Asia turmoil, which has jacked up India’s energy costs. The central sector scheme, titled Samudra Manthan National Offshore Exploration Scheme, will run through FY31, and will be India’s most ambitious offshore exploration mission.
(Financial Express)

Bloomberg defers bond index entry: Bloomberg Index Services on Friday deferred the inclusion of Indian government securities in its flagship Global Aggregate Bond Index, saying it needs more time to ensure recent market reforms are fully embedded in trading and operational practices. “Many market participants would like to see these enhancements become more firmly established in day-to-day market practice before a decision is made on index inclusion. While automated trading capabilities continue to expand, respondents noted that implementation has not yet been fully completed across all major investor regions,” Bloomberg said in a statement.
(Financial Express)

LPG imports from US hit record high in July amid West Asia disruption: India's liquefied petroleum gas (LPG) imports from the United States (US) surged to a record high in July, with the country supplying 0.91 million tonnes (mt), accounting for more than 73 per cent of total imports, according to data from maritime intelligence firm Kpler. India has ramped up LPG imports from the US as supplies from its traditional Gulf suppliers, such as the United Arab Emirates (UAE), Qatar and Saudi Arabia, remain constrained amid the ongoing US-Iran conflict and the closure of the Strait of

Hormuz. The supply disruption has also prompted India to diversify its sourcing, with cargoes arriving from newer suppliers such as Argentina and Algeria.

(Business Standard)

REGULATION & DEVELOPMENT

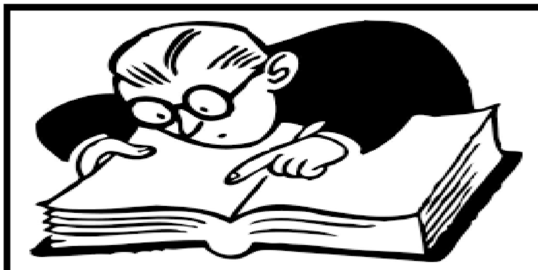
Cabinet approves extension of PM-KISAN scheme till FY'31: The Cabinet on Friday approved extension of the NDA government's flagship direct benefit transfer (DBT) scheme 'PM-KISAN' for the next five years till 2030-31 with a total outlay of over Rs.3.15 lakh crore. Though the extension is seen as a routine measure, it also indicates that the government may not raise the Rs.6,000/year benefit transferred to over 9 crore farmers in three equal instalments. Under the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme, launched in February 2019, eligible landowning farmers receive financial assistance in their bank accounts. Nearly Rs.4.5 lakh crore has been disbursed under this scheme, so far.

(Business Line)

Cabinet approves 'Pradhan Mantri Surya Sarovar Yojana (PM-SSY): The Union Cabinet approved the 'Pradhan Mantri Surya Sarovar Yojana (PM-SSY)', a Scheme for the development of Floating Solar Photovoltaic (FSPV) Projects with Energy Storage Systems (ESS) with a total outlay of Rs.5,070 crore. The scheme envisages the development of 5,000 MW of Floating Solar Photovoltaic projects with co-located Energy Storage Systems having a minimum storage capacity of two hours i.e.,10,000 MWh. The projects will be sanctioned during FY 2026-27 to FY 2030-31, with disbursement of financial support continuing up to FY 2032-33. Under the scheme, Central Financial Assistance (CFA) of Rs. One crore per MW will be provided for eligible Floating Solar Photovoltaic projects after successful commissioning. In addition, CFA of up to Rs.50 lakh per project will be available for undertaking feasibility studies, including bathymetry and hydrography assessments, environmental studies, and other preparatory activities required for de-risking the project development.

(PiB)

Irdai wants every insurance policy tagged to seller from January 2027: Insurance agents, bank officials or brokers selling insurance policies will have to be more diligent while soliciting customers. IRDAI has mandated that every policy be linked to the individual responsible for the sale effective January 2027 to curb mis-selling and ensure customers can identify the person or entity that sold them the policy. Under the amended regulations, every proposal form, policy document and certificate of insurance must carry the details of the intermediary or any other authorised salesperson who solicited the policy, along with the mobile number and email address of the branch or office through which the policy was sold. In cases where a policy is sold directly through an intermediary's digital platform, the telephone number and email address of the intermediary's Principal Officer must be disclosed. Under the revised norms, a certificate of registration, once granted, will remain valid indefinitely, subject to payment of a non-refundable annual fee.
(Financial Express)



FINANCIAL TERMINOLOGY

OUTPLACEMENT

- Outplacement is any service that assists a departing employee with obtaining a new job or transitioning to a new career. Access to outplacement services is offered by some employers as an employee benefit for their staff.
- Outplacement services can be beneficial for all parties monetarily, professionally, and emotionally and, more often than not, ensure a peaceful end to a working relationship.
- Outplacement is a service that helps a terminated employee with the transition to a new job, which can include resume writing, job search, and job coaching.

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RBI KEY RATES

Repo Rate: 5.25%
SDF: 5.00%
MSF & Bank Rate: 5.50%
CRR: 3.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 95.3706
INR / 1 GBP : 128.2779
INR / 1 EUR : 109.8189
INR /100 JPY: 59.4600

EQUITY MARKET

Sensex: 78094.64 (+166.49)
NIFTY: 24383.60 (+66.45)
Bnk NIFTY: 57264.85 (+117.35)

Courses conducted by BFSI Board

- Certificate Course on Concurrent Audit of Banks
- Certificate Course on Credit Management of Banks
- Certificate Course on Investment Management
- Certificate Course on General Insurance.
- Advance Certificate Course on FinTech
- Certificate Course on Project Financing
- Certificate Course on Cost Control Strategies in the Banking Sector
- Certificate Course on Treasury, Foreign Exchange and International Banking

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Publications by BFSI

- Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).
- Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).
- Guidance Note on the Internal Audit of General Insurance Companies.
- BFSI Chronicle (quarterly issue of BFSIB)
- Handbook on Stock & Book Debts Audit (Revised and Enlarged 2nd Edition)
- Handbook on Central Bank Digital Currency (CBDC)
- Monograph on Climate Risk and Green Finance-Banking Sector-International Practices and Indian Perspective (2nd Series)
- Guidance Note on Cost Control Strategies in the Banking Sector

TEAM BFSIB

Banking, Financial Services & Insurance Board
The Institute of Cost Accountants of India (ICMAI)