

DAILY NEWS DIGEST BY BESI BOARD

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ECONOMY

India's GST collections touch Rs 1.95 lakh crore, grow at fastest pace in 13 months: India's GST collections expanded at the fastest pace in 13 months in June, with gross revenues rising 13.9 percent year-on-year to Rs 1.95 lakh crore, driven largely by a sharp increase in tax collections from imports. Gross GST collections stood at Rs 1.71 lakh crore in June 2025, implying a strong acceleration from May 2026, when collections had grown just 3.2 percent year-on-year. The June print marks the strongest annual expansion since May 2025, when GST revenues had risen 16.4 percent. A major driver of the surge was import-related GST revenue, which jumped 34.6 percent year-on-year to Rs 60,038 crore from Rs 44,600 crore a year earlier.

(Moneycontrol)

PMI Manufacturing dipped to 54.2 in June: With some moderation in demand, Purchasing Managers' Index (PMI) for manufacturing slipped to 54.2 in June, S&P Global reported on Wednesday. Job creation grew at its weakest rate though prices have come down. PMI in May was 55. The index is derived based on responses from purchasing executives of 400 companies. Index above 50 shows expansion, while below 50 means contraction.

(Business Line)

Rupee posts biggest one-day fall in over three weeks amid stronger dollar: The rupee recorded its sharpest single-day decline in more than three weeks on Wednesday, weakening 0.61 per cent against the US dollar amid broad dollar strength and weakness in Asian currencies. The domestic currency settled at 95.25 per dollar, down 59 paise from the previous close of 94.66 per dollar. It has fallen 5.64 per cent so

far in the current calendar year, whereas in the last one year, the local currency has weakened by 10.2 per cent against the greenback. Since the start of the current financial year, it has weakened by 0.46 per cent. The decline came as the dollar strengthened against major currencies after US Treasury yields rose, while most Asian currencies also traded lower.

(Business Standard)

BANKING & FINANCE



Banks eye M&A financing opportunity as RBI norms kick in: Banks are gearing up to expand their presence in India's mergers and acquisitions (M&A) financing market as the Reserve Bank of India's new framework allowing lenders to fund acquisitions comes into effect, opening a segment that has so far been dominated by private credit funds and foreign banks. The move comes amid sustained dealmaking activity. India Inc. recorded 190 M&A and private equity transactions worth \$10.2 billion in May, including 76 M&A deals valued at \$6.3 billion. Banks have already started positioning themselves to tap the opportunity. In June, Bloomberg reported that State Bank of India (SBI) plans to join a consortium of global lenders to finance Sun Pharmaceutical Industries' nearly \$12 billion overseas acquisition, with the bank expected to commit up to \$1 billion, subject to board approval.

(Financial Express)

Ind-Ra downgrades Jana SFB promoter entities to default; bank's ratings on watch: India Ratings & Research (Ind-Ra) has downgraded the non-convertible debentures (NCDs) of TPG-backed Jana Holdings, the holding company of listed Jana Small Finance Bank (SFB), and Jana Capital to default after the entities extended the repayment schedule by six months to end of December. The rating agency has also placed Jana SFB's Rs.3,750 crore of NCDs and Rs.2 lakh of fixed deposits on Rating Watch with Negative implications. Jana Holdings and Jana Capital together had repayments of around Rs.4,200 crore, including principal and accrued interest, due on June 30. "While the entities had previously met debt repayments through refinancing,

they were unable to do so on this occasion,” Ind-Ra, the rating agency said on Wednesday.

(Financial Express)

New LCR norms: Banks eye non-financial entities’ deposits: Banks are looking to scale up deposits from non-financial entities after the revised liquidity coverage ratio (LCR) norms provided more favourable treatment to such funds. The move is also expected to open up fresh business opportunities for lenders. The final norms, which came into effect in April, rationalised the treatment of wholesale funding from “other legal entities”. As a result, deposits from non-financial entities such as trusts (educational, charitable and religious), partnerships, and limited liability partnerships (LLPs) now carry a lower run-off factor of 40%, compared with the earlier 100%. The run-off factor indicates the likelihood of deposits being withdrawn from a bank. A higher run-off factor requires banks to maintain more high-quality liquid assets (HQLA), mainly government securities, that can be quickly liquidated during periods of financial stress.

(Financial Express)

Canara Bank, Indian Bank credit growth outpaces deposits: Leading public sector banks, including Canara Bank and Indian Bank, are experiencing a sustained trend where their loan disbursements are expanding at a quicker pace than customer deposits. Canara Bank saw its advances surge by 18%, while Indian Bank reported a 13.9% rise in credit. This robust credit expansion, particularly in retail, agriculture, and MSME sectors, signals a dynamic lending environment for these financial institutions.

(Economic Times)

Bharti Airtel's NBFC arm begins commercial operation: Bharti Airtel's non-banking financial arm, Airtel Money, has officially begun its commercial operations after securing a license from the Reserve Bank of India. The company, registered as a Type II Non-Deposit accepting NBFC, plans to be capitalized with Rs 20,000 crore over the coming years, with Bharti Airtel contributing 70% and the promoter group the remaining 30%.

(Economic Times)

RBI's new Integrated Ombudsman Scheme comes into effect from 1 July: The Reserve Bank of India's (RBI's) revamped Integrated Ombudsman Scheme came into effect on Wednesday, introducing a new framework for resolving customer complaints against banks, NBFCs, prepaid payment instrument (PPI) issuers and credit information companies. The scheme retains the "One Nation, One Ombudsman" approach, under which complaints are handled without regard to the location of the customer or the regulated entity. Under the new framework, customers must first approach the concerned regulated entity. If the entity fails to respond within 30 days or if the customer is dissatisfied with the response, the complaint can be escalated to the RBI Ombudsman within 90 days. The Ombudsman may facilitate a settlement between the parties or, where a deficiency in service is established, pass an award directing the regulated entity to take remedial action or pay compensation. The scheme allows compensation of up to Rs.30 lakh for consequential losses and up to Rs.3 lakh for loss of time, expenses, harassment and mental anguish.

(Business Standard)

INDUSTRY OUTLOOK



WhatsApp reacts to govt notice, says username feature not yet live: WhatsApp has not yet rolled out the ability to use usernames on its platform, with the feature set to launch gradually later this year, a company spokesperson said on July 1. The response comes shortly after the Indian government issued a notice to WhatsApp (Meta), over the proposed rollout of the messaging app's "usernames" feature, saying it may increase online fraud, phishing, digital arrest scams and impersonation attacks. In the notice addressed to the Chief Compliance Officer, WhatsApp LEC (Meta), India Operations, the government directed Meta to furnish a detailed explanation on the feature within three days of receiving the notice. The government has also directed Meta not to roll out the usernames feature until consultation on the matter is completed to the satisfaction of the government.

(Moneycontrol)

Fuel-starved Russia buys Indian gasoline after Ukraine drone strikes cripple refineries: Russia has started seaborne imports of gasoline from India, two industry sources said on Wednesday, in an effort to mitigate fuel shortages triggered by Ukrainian attacks on its energy infrastructure. Fuel shortages are being felt across Russia's 11 time zones with rationing, long queues at filling stations and a record gasoline price increase. The Kremlin said on Tuesday that Russia was in contact with other countries and discussing imports of fuel at acceptable prices.

(Moneycontrol)

RBI to take final decision on Tata Sons listing: The Reserve Bank of India (RBI) on Tuesday (June 30) said submission of documents would not automatically result in the cancellation of the Certificate of Registration by non-banking financial companies (NBFCs) and that it reserves the right to approve or disallow the cancellation application. For Tata Sons, this implies that RBI will have to decide whether it wants to approve Tata Sons' application to surrender its NBFC-CIC licence. Till then, upper layer norms, including listing requirements, prevail for Tata Sons. Further, the RBI issued a circular on Tuesday clarifying the indirect receipt of funds. For context, indirect receipt of public funds means funds received not directly but through associates and Group entities which have access to public funds.

(Moneycontrol)



REGULATION & DEVELOPMENT

FSSAI pulls up energy drink brands for misbranding, misleading claims: The Food Safety and Standards Authority of India (FSSAI) has sent notices to various beverage players that are selling products labelled as energy drinks for misbranding and misleading functional claims. The food safety regulator said these beverage brands are being marketed using energy drink descriptors on product branding and labelling, which is not in compliance with the regulations. Notices have been sent to all the key energy drink players in the country, including Red Bull and PepsiCo's energy

drink brands such as Sting and Adrenaline Rush, besides Monster Energy, Hell Energy and Campa Energy Drink-Gold Boost.

(Business Line)

NPCI partners with HSBC India to enable real-time FX settlement for global UPI payments: NPCI announced a strategic partnership with HSBC India to provide real-time foreign exchange (FX) settlement for cross-border payments. This collaboration aims to make international UPI payments more seamless for Indians travelling abroad, a joint statement said. The UPI system is now live in nine countries, including Singapore, the United Arab Emirates, Nepal, Bhutan, Mauritius, France, Sri Lanka, Qatar and Cambodia, enabling Indian travellers to make QR code-based payments directly from their Indian bank accounts in Indian Rupees (INR), it said.

(Economic Times)

EPF Scheme 2026 notified under Social Security Code: The Ministry of Labour and Employment has notified the Employees' Provident Fund (EPF) Scheme, 2026, replacing the six-decade-old EPF Scheme, 1952, as part of the rollout of the Code on Social Security, 2020. For salaried employees, the mandatory contribution remains 12 percent of wages each from the employee and employer, with the existing 10 percent rate continuing for notified establishments. The government has also retained the statutory wage ceiling framework, meaning mandatory contributions continue to be linked to the wage limit notified by the Centre. The new scheme, however, introduces greater flexibility. Employees can continue to make voluntary provident fund (VPF) contributions above the statutory limit, while employers may choose to match these additional contributions but are not obligated to do so. The scheme mandates electronic record-keeping, online access to member accounts, digital claim processing, regular disclosures and stricter governance by trustees. Annual account statements must be issued electronically, and establishments are required to facilitate online claim settlement within prescribed timelines.

(Moneycontrol)



CLAWBACK

- A clawback is a contractual provision requiring that money that's already paid to an employee must be returned to an employer or benefactor, sometimes with a penalty.
- Many companies use clawback policies in employee contracts for incentive-based pay such as bonuses. They're most often used in the financial industry. Most clawback provisions are non-negotiable. Clawbacks are typically used in response to misconduct, scandals, poor performance, or a drop in company profits.



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 : 94.7323
INR / 1 GBP : 125.4205
INR / 1 EUR : 108.0267
INR /100 JPY: 58.2200

EQUITY MARKET

Sensex: 76922.64 (+443.97)
NIFTY: 24005.85 (+140.10)
Bnk NIFTY: 58033.05 (+490.15)

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TEAM BFSIB

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

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