

DAILY NEWS DIGEST BY BFSI BOARD

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ECONOMY

Government releases uniform guidelines for district GDP estimates with 2022-23 base year: The Statistics Ministry on Wednesday said that it has released a uniform guideline for the compilation of district domestic product (DDP) estimates with base year 2022-23. The National Statistics Office (NSO), Ministry of Statistics & Programme Implementation (MoSPI), had uploaded the Draft Guideline for compilation of DDP estimates with base year 2022-23 on the official website of MoSPI on April 7 for consultation and feedback from stakeholders, including States and Union Territories, academic institutions, researchers, and other users of sub-state level statistics, an official statement said.

(Business Line)

FDI equity flows up 18% in FY 26; US doubles its investment: The Foreign Direct Investment (FDI) equity inflows into the country increased 18% on year to \$ 58.8 billion in 2025-26 with major boost provided by investors in computer software and hardware sectors, an analysis by the Department for Promotion of Industry and Internal Trade (DPIIT) said. Overall FDI last year – which included reinvested earnings and other capital – was up 17% on year to \$ 94.5 billion. In the January-March quarter the FDI equity investments grew 17.5% on year to 10.9 billion. The net investment by Foreign Portfolio Investors (FPI) was in the negative. They pulled out \$ 15.5 billion from India in 2025-26. The biggest magnet for FDI was computer hardware sector that saw investments jump 78.4% to \$ 13.9 billion. The second biggest recipient of FDI, the services sector, saw a growth of 7.0% to \$ 10.0 billion.

(Financial Express)

India may overtake China in share of global GDP in PPP terms by 2060: India could overtake China in terms of the share of global output in purchasing power parity (PPP) terms by around 2060 under a “sustainable convergence” scenario that combines faster growth in developing economies with lower inequality and higher investment in human capital, according to a report released by researchers associated with the World Inequality Lab. The report titled ‘Global Justice Report: A Plan for Equality & Prosperity Within Planetary Boundaries’ estimates that China currently accounts for about one-fifth of world GDP in PPP terms. However, its share may decline through the second half of the century as demographic trends reduce its proportion of the global population. India’s share, by contrast, may continue to rise, allowing it to surpass China around the middle of the century under the modelled scenario.

(Business Standard)

BANKING & FINANCE



HDFC Mutual Fund announces temporary restrictions on large investments into Gold ETF, Gold ETF FoF: HDFC Mutual Fund has temporarily restricted lump-sum subscriptions in its Gold ETF and Gold ETF Fund of Fund (FoF), citing prevailing economic and market conditions. "In light of the broader economic and market conditions, it has been decided to temporarily restrict lump-sum subscriptions in HDFC Gold ETF and HDFC Gold ETF Fund of Fund until further notice," HDFC Mutual Fund said in a statement.

(Moneycontrol)

SEBI issues warning letter to ICICI Bank over FPI transaction violation: India's second-largest private lender, ICICI Bank Ltd., on Thursday (June 4) informed stock exchanges that it had received a warning letter from the SEBI. The letter, dated June 1, 2026 and received on June 2, 2026, at 3.55 pm, pertains to the bank’s role as a custodian. SEBI issued the warning for permitting one foreign portfolio investor (FPI) to

repatriate funds prior to completion of the committed retention period under the voluntary retention route (VRR).

(Moneycontrol)

PwC finds accounting lapses in IndusInd treasury operations: A confidential PwC review of IndusInd Bank's treasury operations revealed significant accounting irregularities. Manual entries were used to mask over Rs.2,200 crore in trading losses, inflating profits and assets by Rs.1,817.58 crore. The report highlighted a disconnect between the bank's risk management and trading desks, leading to overstated financial figures.

(Economic Times)

Central Bank of India targets over Rs 3,500 crore bad-loan recovery in FY27: Central Bank of India plans significant recovery from bad loans exceeding Rs 3,500 crore in FY27. The bank will also introduce wealth management and credit card services in the latter half of the current fiscal year. Development of cash management services for corporate clients is also underway. These initiatives aim to boost the bank's financial performance and non-interest income.

(Economic Times)

ATMs running out of cash, IBA alerted over service disruption risks: ATM services in the country may be hobbled because of a shortage in cash, which could also leave an impact on rural and semiurban areas, the Confederation of ATM Industry (CATMi) has told the Indian Banks' Association (IBA). In March and April, the intended cash (the cash needed to load into ATMs) was Rs.94,000 crore, but the available amount was Rs.61,000 crore and Rs.54,000 crore, respectively. This translates into a fulfilment percentage of 64 per cent and 57 per cent, respectively.

(Business Standard)

INDUSTRY OUTLOOK



India fixes jet fuel benchmark at Rs 115 a litre under new ATF stabilisation plan:

Domestic airlines will be able to buy aviation turbine fuel (ATF) at a fixed price of Rs 86.32 per litre for up to three years under a new government-backed price stabilisation scheme aimed at shielding carriers and passengers from a surge in global fuel costs. Under the voluntary scheme, participating airlines will pay the fixed free-on-board (FOB) benchmark price plus airport charges, oil company margins and applicable taxes, taking the effective selling price to about Rs 115 per litre in Delhi, Rs 114.5 in Mumbai and Rs 139 in Chennai, according to government officials.

(Moneycontrol)

Goldman Sachs buys Rs.210-crore stake in Groww parent via block deal:

Global financial services firm Goldman Sachs on Thursday bought more than 1.13 crore shares of Billionbrains Garage Ventures, the parent company of Groww, from venture capital firm Friale for Rs.210 crore through an open market transaction. Goldman Sachs, through its affiliate Goldman Sachs Bank Europe SE, purchased 1,13,43,750 equity shares, representing a 0.18 per cent stake in the Bengaluru-based trading platform, according to block deal data available on the BSE.

(Business Standard)

Uttar Pradesh govt plans to develop pharma ecosystem over 8,000 acres:

The Uttar Pradesh government is planning to create a world-class medical manufacturing ecosystem spanning nearly 8,000 acres as it seeks to position the state as a pharmaceutical hub. The Yogi Adityanath government has already planned to set up pharma and medical devices manufacturing hubs in Lalitpur and Gautam Buddha Nagar (Noida) districts encompassing more than 2,400 acres.

(Business Standard)



REGULATION & DEVELOPMENT

SEBI to sharpen tech-led surveillance as online investment frauds evolve: SEBI is working on additional technology-driven tools to combat online investment frauds and strengthen digital trust in capital markets, as the regulator increasingly shifts its focus towards prevention, surveillance and real-time detection of fraudulent activity. Speaking at a FICCI conference on next-generation fraud investigations on Thursday, G Ram Mohan Rao, Executive Director, SEBI, said the regulator has already rolled out investor-protection initiatives such as SEBI Check, App Check and UPI verification mechanisms, and is working on further measures to curb frauds in the securities market.

(Business Line)

Credit guarantee scheme for MFIs still stuck in low gear: The Rs 20,000-crore credit guarantee scheme for microfinance institutions, aimed at boosting liquidity, especially for small lenders to the bottom of the pyramid customer segment, is yet to see traction more than two months after it was launched. Banks have received an aggregate loan demand of Rs 10,000-12,500 crore under the scheme, according to people familiar with the matter. While the credit guarantee provides 70-80% default coverage, its rigid caps on bank lending rates and strict margin rules for microfinance companies have made it a non-starter so far in terms of loan disbursement, they said. Large NBFC-MFIs are more likely to benefit from the credit guarantee programme, while the smaller and medium-sized ones, which are more vulnerable in the absence of bank funding, may be left fending for themselves, said people tracking the sector. The loan limit for large NBFC-MFIs was revised to Rs 1,000 crore from Rs 300 crore earlier.

(Economic Times)

Economist Neelkanth Mishra appointed World Bank Executive Director:

Economist Neelkanth Mishra was on Thursday appointed as Executive Director of the World Bank in the US for a tenure of three years. He will succeed incumbent Parameswaran Iyer, a 1981 batch retired Indian Administrative Service (IAS) officer of Uttar Pradesh cadre. Mishra is a part-time member of the Economic Advisory Council to the Prime Minister (EAC-PM), an independent body constituted to give advice on economic and related issues to the Central government, specifically to the prime minister.

(Business Standard)



FINANCIAL TERMINOLOGY

BAIT AND SWITCH

- The practice of advertising a particular outcome based on the user's action but deceptively serving an alternate outcome.
- Illustrations: (i) Advertising a lower interest rate initially and charging a higher interest rate at the time of actually applying for a loan, at times accompanied by non-disclosure of processing fees and other charges upfront. (ii) Advertising a higher interest rate in savings accounts, without specifying the requirement of minimum balance for the same. (iii) Nudging customers to make more number of transactions to receive cashbacks / rewards, whereas the fine print imposes certain additional conditions for actually availing the cashback / rewards.



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 : 95.7425
INR / 1 GBP : 128.6045
INR / 1 EUR : 111.1877
INR /100 JPY: 59.8900

EQUITY MARKET

Sensex: 74360.01 (+13.84)
NIFTY: 23416.55 (+10.95)
Bnk NIFTY: 54307.85 (+121.90)

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

For details please visit BFSIB portal of the ICMAI website.

Publications by BFSI Board

- ❖ 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)

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