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)

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DAILY NEWS DIGEST BY BFSI BOARD

07 July 2026

ECONOMY

5 Indian states cross World Bank's upper middle-income threshold; three others narrowly miss the mark: Five Indian states have reached the World Bank's upper-middle-income threshold based on per capita income, even though India as a whole remains a lower-middle-income economy, according to a Moneycontrol analysis of World Bank classifications and state income data. The World Bank this week upgraded Sri Lanka, Vietnam, and the Philippines to higher-income categories following sustained improvements in income levels. India, however, remains classified as a lower-middle-income country with an Atlas-method per capita income of $2,760, only marginally above the lower-middle-income average of $2,488 and well below the upper-middle-income threshold of $4,636. Delhi leads the country with a per capita income of $6,217, followed by Karnataka ($5,579), Telangana ($5,407), Tamil Nadu ($5,329) and Gujarat ($4,734). At the other end of the spectrum, Bihar remained India's poorest major state with per capita income of $984, followed by Uttar Pradesh ($1,403) and Jharkhand ($1,470). Bihar, Uttar Pradesh and Jharkhand earn less than Nepal and sub-Saharan African countries.
(Moneycontrol)

Tamil Nadu clocks highest growth rate in FY26 exports at 13.7%: Tamil Nadu has emerged as the state with the highest growth rate in merchandise exports in FY26 as the state's strength in smartphone and other electronics goods exports has helped accelerate its overall tally. Tamil Nadu's total exports for FY26 stood at $59.3 billion, up 13.7 per cent YoY despite a year of trade tensions and geopolitical instability, as per data of Ministry of Commerce.
(Business Line)

Rupee hits three-week low as OMC dollar demand, NDF maturities weigh: The rupee fell to a three-week low on Monday as persistent dollar buying by oil marketing companies (OMCs), demand linked to maturing non-deliverable forward (NDF) contracts, and a rise in the dollar index outweighed support from lower crude oil prices, dealers said. The Indian unit depreciated in five of the last six trading sessions. The domestic currency settled at 95.40 per dollar against the previous close of 95.22 per dollar, the lowest level since June 11 this year, after touching an intraday low of 95.48 per dollar. The dollar index strengthened to around 101, while most Asian currencies also traded lower.

(Business Standard)

BANKING & FINANCE

Gold Monetisation Scheme reboot: Winning household trust remains the real challenge: Since its launch in 2015, the Gold Monetisation Scheme mobilised around 39 tonnes of gold by November 2025, according to official data, negligible compared to India’s estimated 25,000–30,000 tonnes of household holdings. The Indian government's latest attempt to revive the Gold Monetisation Scheme (GMS) is built around a simple premise: make it easier for households to deposit gold. But sources acknowledge that the scheme's biggest hurdle has never been convenience. it has been trust. The Centre is expected to unveil a revamped Gold Monetisation Scheme, allowing jewellers to act as collection partners for the first time.

(Moneycontrol)

Private insurers’ commission payouts on the rise, mis-selling risk grows: RBI: The commissions being paid by the private insurers in the life and general insurance sector have shown a sharp rise and pose an increasing risk of mis-selling in insurance, according to RBI. While the public insurers had shown restraint in hiking the commissions from time to time, private insurers were ‘aggressive’ in offering hikes and a ‘distinct divergence’ in cost structure is evident between public and private insurers, the RBI said in its latest Financial Stability Report (FSR). The private life insurers had registered commission ratio surge of almost two times in 2025-26 from 2021-22, alongside a stable operating expense ratio.

(Business Line)

Gold overtakes vehicle loans as top securitised asset class in Q1FY'27: CRISIL: Gold loans emerged as the largest securitised asset class in the April-June quarter of the current fiscal, overtaking vehicle loans in the country's securitisation market, a report said on Monday. The report said more than 98 per cent of the issuances during the quarter were originated by NBFCs, unlike previous peak periods when banks had also contributed significantly. Gold loans accounted for around 31 per cent of the overall securitisation volume in the first quarter, overtaking vehicle loans, whose share moderated to around 26 per cent because of fewer issuances by a large originator.

(Economic Times)

LIC highlights stronger profitability, higher margins and digital push ahead of investor meetings: India's Life Insurance Corporation (LIC) has reported robust financial performance, with net profit soaring to $6.07 billion and margins improving significantly to 21.2%. The state-owned giant continues its market dominance, holding a 56.7% share in new business premiums. A strategic shift towards higher-margin non-participating products is driving this growth, alongside a strong focus on digital transformation and expanding its vast distribution network.

(Economic Times)

Indian banks slash short-term debt sales on cheaper forex funding: Indian banks are significantly reducing their reliance on short-term debt sales, known as certificates of deposit (CDs). This shift is driven by the Reserve Bank of India's initiative to attract foreign-currency deposits, offering a cheaper and more stable funding alternative. Lenders anticipate this trend to continue, impacting CD rates and strengthening their balance sheets with more durable capital.

(Economic Times)

Bank of Maharashtra reports 27% loan growth, 13% deposit growth: State-owned lender Bank of Maharashtra posted 27 per cent year-on-year (YoY) growth in overall advances to Rs 3.06 trillion, supported by 25 per cent growth in RAM (retail, agriculture and MSME) loans to Rs 1.87 trillion. Deposits grew 13 per cent year-on-year to Rs 3.44 trillion, while the share of low-cost current account and savings account (CASA) deposits fell to 49 per cent from 50 per cent in the same period last year, the bank said in a filing to the stock exchanges.

(Business Standard)

INDUSTRY OUTLOOK

Govt to launch cooperative life insurance company, expand Bharat Taxi to 500 cities: Amit Shah: Union Minister Amit Shah announced a new cooperative life insurance company to bolster the sector's growth, marking the Ministry of Cooperation's 5th Foundation Day. He highlighted the ministry's role in revitalizing the cooperative movement. Initiatives like expanding 'Bharat Taxi' and establishing a Sahkari University were also discussed, aiming for a developed and self-reliant India by 2047. Speaking at an event in New Delhi to mark the fifth Foundation Day of the Ministry of Cooperation, Shah said the proposed life insurance company would deepen the cooperative sector's presence in insurance and create new growth opportunities.

(Economic Times)

Reliance Industries gets Sebi warning over employee trades during UPSI period: Sebi issued an administrative warning to Reliance Industries after finding two employees and a relative traded while possessing unpublished price-sensitive information. The regulator flagged compliance lapses, but imposed no financial or operational restrictions, with Reliance promising corrective measures to strengthen monitoring.

(Economic Times)

Bhubaneswar to get two more data centres with over Rs.1K cr investment: With the high-security data centre of RBI nearing completion on the outskirts of Bhubaneswar, the Odisha capital is poised for another major leap in digital infrastructure, as two more data centres are slated to come up at a combined

investment of over Rs.1,000 crore. Sources said, Adani Group has proposed to set up an advanced data centre with an investment of Rs.800 crore, while the Odisha government has decided to establish another data centre at a cost of Rs.266.48 crore. The twin projects signal the state's growing ambition to position Bhubaneswar as a key data infrastructure destination in eastern India, leveraging its improving digital connectivity, reliable power availability, disaster-resilient geography.
(Business Standard)

REGULATION & DEVELOPMENT

Govt's collateral-free export credit scheme finds limited takers: The government has seen limited interest among eligible beneficiaries in collateral-free export credit under the Export Promotion Mission (EPM), with only 140 exporters registering for the scheme since its rollout in January. Under the scheme, micro and small enterprises can avail export credit of up to Rs.10 crore with guarantee coverage of 85 per cent, while medium enterprises are eligible for the same loan amount with guarantee coverage of 65 per cent. CGTMSE, which manages the intervention for the government, has facilitated the generation of 159 Udyam Registration Numbers (UIN) in the last six months, the document showed. UIN is a 16-digit code mandatory for eligible enterprises to secure collateral-free loans. Banks use the UIN to apply for CGTMSE guarantee.
(Business Standard)

Atal Innovation Mission Strengthens Eastern India Innovation Ecosystem at Regional AIM SUMVAAD-East Chapter 2026: As Eastern India continues to emerge as a vibrant hub for innovation and entrepreneurship, Regional AIM SUMVAAD-East Chapter 2026, organised by Atal Innovation Mission (AIM), NITI Aayog as part of its ongoing regional Sumvaad series, brought together key stakeholders from government, industry, academia, and the startup ecosystem to chart a collaborative roadmap for the region's next phase of innovation-led growth. The conclave held at O-

Hub, Bhubaneswar also witnessed the launch of the AIM- Odisha Chapter- a collaborative platform bringing together Atal Incubation Centres (AICs) and Atal Community Innovation Centres (ACICs) across Odisha. The initiative is designed to strengthen inter-incubator collaboration through shared access to programmes, infrastructure, mentors, investors, strategic partners, and ecosystem resources, creating greater opportunities for startups while further enriching Odisha's innovation ecosystem.

(PiB)

FINANCIAL TERMINOLOGY

PARETO EFFICIENCY

- Pareto efficiency, also known as Pareto optimality, describes a situation in which resources are distributed in such a way that improving one person's well-being would inevitably reduce someone else's.
- Pareto efficiency implies that resources are allocated in the most economically efficient manner, but does not imply equality or fairness. An economy is said to be in a Pareto optimum state when no economic changes can make one individual better off without making at least one other individual worse off.

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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 : 95.4346
INR / 1 GBP : 127.2630
INR / 1 EUR : 109.0130
INR /100 JPY: 58.8400

EQUITY MARKET

Sensex: 78285.07 (+521.16)
NIFTY: 24430.35 (+159.50)
Bnk NIFTY: 58291.50 (+353.00)

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).
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