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

09 July 2026

ECONOMY

IMF cuts India FY27 growth forecast to 6.4%; sees rebound to 6.7% in FY28: India's economy is expected to grow slower than earlier anticipated in FY27, with the International Monetary Fund cutting its growth forecast to 6.4 percent from 6.5 percent projected in April, as the West Asia conflict weighs on global activity and keeps energy prices elevated. "India remains among the fastest-growing major economies, with growth projected at 6.4 percent, supported by strong momentum in private consumption and services activity," the IMF said in its July World Economic Outlook update. The Fund, however, expects growth to recover in FY28. It raised India's FY28 growth projection to 6.7 percent from 6.5 percent estimated earlier, suggesting that the economy could regain some momentum once the external shock from higher energy prices begins to ease. Global growth is projected at 3 percent in 2026 and 3.4 percent in 2027.
(Moneycontrol)

Sensex logs biggest single-day fall in four months as Iran tensions trigger late sell-off: The Indian equities witnessed their sharpest single-day decline in four months on Wednesday after a sharp deterioration in global risk sentiment triggered by US President Donald Trump's remarks suggesting the ceasefire with Iran had effectively collapsed, raising fears of a fresh escalation in West Asia. The BSE Sensex index plunged 1,677 points, or 2.15 per cent, to close at 76,504, while the broader Nifty 50 index fell 517 points, or 2.12 per cent, to end at 23,882. The last steeper decline was recorded on March 30, when the benchmark index had dropped 2.22 per cent.
(Business Line)

Rupee hits one-month low as oil soars after Trump says Iran deal is 'over': The Indian rupee dropped to its weakest level in nearly a month on Wednesday after U.S. President Donald Trump said the interim accord with Iran to end the war was "over," sending oil prices soaring and hurting Asian currencies. Traders said the Reserve Bank of India had likely intervened in the foreign exchange market to limit the rupee's fall via dollar sales from state-run banks. The currency closed at 95.5550 per dollar, down 0.6% on the day. It had touched a low of 95.60, its weakest since June 11.
(Business Standard)

BANKING & FINANCE

State Bank of India draws over $1.5 billion in offshore deposits: State Bank of India has so far raised more than $1.5 billion from foreign-currency deposits under a special program launched last month for overseas citizens, people familiar with the matter said. The country’s largest lender will also provide leverage of nine times to depositors, the people said, asking not to be identified as the details are private. The facility will allow customers to scale up the amount of money they would deposit under the plan. In June, the Reserve Bank of India offered full hedging-cost support for banks raising three- to five-year foreign currency deposits, as part of broader efforts to shore up reserves amid the US-Iran war. The move gives lenders more room to offer attractive rates on such deposits.
(Moneycontrol)

Mutual fund assets surpass FPIs for the first time, driven by strong SIP inflows: The assets under control (AUC) of mutual funds across debt, equity, and ETFs have surpassed those of Foreign Portfolio Investors (FPIs) for the first time ever, driven by steady inflows of over Rs.30,000 crore into mutual funds through SIPs. The AUC of mutual funds stood at Rs.76.41 lakh crore, while that of FPIs was marginally lower at Rs.76.22 lakh crore, according to NSDL data. Despite foreign investors selling heavily in the equity markets, FPI holdings remained higher at Rs.68.65 lakh crore, while mutual funds’ holdings stood at Rs.54.50 lakh crore.

(Business Line)

Credit cards lose sheen: Cibil: Credit cards are losing ground to personal loans and other consumption-credit products as banks are no longer playing on the volumes and are preferring customers with higher balances, according to a new research report by TransUnion CIBIL, Beyond the Swipe. The share of credit cards in the unsecured loan market has fallen to 38% in 2026 from 56% in 2016. The space is now taken over by small-ticket personal loans of Rs 50,000 or less.

(Financial Express)

Aviva set to become first foreign insurer to fully own India life business: UK insurer Aviva Plc is set to fully own its Indian life insurance venture. This move follows New Delhi's recent policy allowing total foreign ownership in the sector. Aviva will buy the remaining 26% stake from its partner, Dabur Invest Corp. Full ownership offers greater strategic flexibility and faster decision-making for business expansion. The transaction marks the first deal under the government's liberalized foreign ownership policy.

(Economic Times)

Private banks may lead PSU peers in Q1 PAT show amid macro pressures: Private banks are expected to show stronger profit growth than public sector banks this quarter. Analysts predict private lenders' profits will climb ten percent year-on-year. Balance sheet growth also favors private banks, with higher deposit expansion. However, public sector banks led in loan book expansion during the June quarter. Investor focus will remain on individual bank performance and execution.

(Economic Times)

INDUSTRY OUTLOOK

SBI Mutual Fund to launch IPO on July 14: State Bank of India has announced that the initial public offering (IPO) of its subsidiary SBI Mutual Fund will open for retail investors' subscription on July 14 and close on July 16. Allotment to investors after bidding is expected to be made on July 18. The anchor investor bidding will open on Monday (July 13). The fund house will announce the price band on Thursday (July 9).
(Business Line)

Private life insurers outpace LIC in new business premium growth: Life insurers saw a 16.6% rise in new business premium during the April-June quarter. Private sector firms expanded faster than LIC, driven by regular premium products. Regular premium collections grew nearly twenty percent year-on-year, while single premium business increased. SBI Life Insurance emerged as the fastest-growing player among listed companies. Private insurers continue gaining market share while LIC retains its dominant position.
(Economic Times)

India considers Rs 40,000 crore undersea power cable to UAE: Power minister: India is considering the construction of a 1,600-km undersea power transmission cable between the UAE and India at an estimated cost of around Rs 40,000 crore, Power Minister Manohar Lal Khattar said on Wednesday. Speaking at India Energy Storage Week, he said the proposed transmission link is part of India's broader vision of "One Sun, One World, One Grid". Lal added that India is also pursuing similar power connectivity projects with Sri Lanka and Singapore, with the objective of creating an east-to-west electricity grid that could eventually facilitate power trade with Europe. "We are going to Sri Lanka and Singapore, and we are moving ahead for supply even beyond Singapore through maritime routes," he said.
(Business Standard)

REGULATION & DEVELOPMENT

SEBI replaces dollar-denominated registration fee to rupee for FPIs: The Securities and Exchange Board of India (SEBI) has amended it's rules replacing the existing US dollar-denominated registration fee for Foreign Portfolio Investors (FPIs) with a rupee-based fee structure. As per the notification, the regulator has revised the registration fee for Category-I FPIs from $2,500 to Rs.2.3 lakh. Similarly, registration fee for FPIs belonging to Category II has been revised from $250 to Rs.23,000. The regulator has also revised the application fee for seeking general relaxations or exemptions from strict enforcement of regulations from $1,000 to Rs.90,000 in eligible foreign exchange equivalent.
(Business Line)

SEBI mulls easing FPI disclosure norms with higher exemption cap: SEBI is examining a proposal to raise the existing 3 per cent cap on composite holdings of foreign portfolio investors (FPIs) that are eligible for exemption from making additional disclosures under the regulator's beneficial ownership framework, according to people familiar with the matter. The proposal is aimed at providing further ease of doing business for global investors by relaxing one of the conditions for availing exemption from the additional disclosure requirements introduced in August 2023, the people said. FPIs with over Rs.50,000 crore of equity assets under management (AUM) in Indian markets, or those with more than 50 per cent of their Indian equity AUM concentrated in a single corporate group, are required to furnish additional granular disclosures.
(Business Line)

EPFO shifts to national database; 8.25% PF interest to reflect online by July 15: With the Employees' Provident Fund Organisation (EPFO) digitising entire scattered country-wide provident fund data into a single national database, members will now be able to verify their 8.25 per cent interest credit for FY26 online by July 15, Labour

Minister Mansukh Mandaviya said on Wednesday. Migrating to a national database, which happened over the last few days, to make PF access easier is a key step toward broader reform, allowing users to withdraw up to 75 per cent of their accumulated PF funds directly through a UPI interface, the Minister stated. Annual interest for FY26 at the rate of 8.25 per cent to 34 crore member accounts, estimated at over Rs 1.44 lakh crore, will be auto-processed.

(Business Line)

FINANCIAL TERMINOLOGY

OUTPUT GAP

- The term output gap refers to the difference between the actual output of an economy and the maximum potential output of an economy expressed as a percentage of gross domestic product (GDP). A country's output gap may be either positive or negative.
- A negative output gap suggests that actual economic output is below the economy's full capacity for output while a positive output suggests an economy that is outperforming expectations because its actual output is higher than the economy's recognized maximum capacity output.

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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 : 95.2236
INR / 1 GBP : 127.2524
INR / 1 EUR : 108.7660
INR /100 JPY: 58.7300

EQUITY MARKET

Sensex: 76503.60 (-1677.12)
NIFTY: 23882.05 (-516.65)
Bnk NIFTY: 56742.60 (-1458.10)

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