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DAILY NEWS DIGEST BY BFSI BOARD

11 July 2026

ECONOMY

World Bank approves $890 million for India's rooftop solar programme: The World Bank's Board of Executive Directors has approved a financing package of $890 million for India's rooftop solar programme, comprising an $820 million loan from the International Bank for Reconstruction and Development (IBRD), a $60 million concessional loan from the Clean Technology Fund and a $10 million grant from the IBRD's Livable Planet Fund. The multilateral lender will also mobilise an estimated $4.2 billion in private financing through commercial loans to help households install rooftop solar systems. The financing will support the Centre's PM Surya Ghar: Muft Bijli Yojana, which aims to install rooftop solar systems in 10 million rural and urban households, reducing electricity bills while boosting domestic manufacturing of rooftop solar equipment.
(Business Line)

Bank credit growth at two-year high at 18.6% as debt market turns costlier: Bank credit expanded the fastest in two years in the fortnight to June 30, rising 18.6% year-on-year despite the geopolitical headwinds, while the deposit growth print recorded at 13.3%, data released by Reserve Bank of India on Friday showed. Deposit growth also showed a healthy increase during the same period. This credit demand stems from both consumer and corporate sectors. Corporate entities are increasingly favoring banks over debt markets for funding. The gap between credit and deposit growth widened to 570 basis points.
(Economic Times)

India's foreign exchange reserves rise by $7.26 billion to $674.19 billion: India’s foreign exchange reserves rose by $7.26 billion to $674.19 billion in the week ended July 3, driven by an increase in foreign currency assets (FCAs) and gold reserves, according to data released by the Reserve Bank of India (RBI) on Friday. FCAs, the largest component of the reserves, increased by $4.51 billion to $545.58 billion during the week. Expressed in dollar terms, FCAs reflect the impact of appreciation or depreciation of non-US currencies such as the euro, pound and yen held in the reserves. “RBI foreign currency reserves increased by $4.4 billion during the fortnight, indicating the desire of the RBI to also recoup foreign exchange reserves,” the State Bank of India said in a report..

(Business Standard)

US Fed Chair names three Indians on new monetary policy task forces: US Federal Reserve Chairman Kevin Warsh on Friday announced the names of leaders of five task forces constituted to examine the central bank’s approach to monetary policy, and propose transformational changes. Among the leaders named by Warsh, academics, former central bankers and corporate executives, are three people of Indian origin, namely, former RBI governor Raghuram Rajan, Harvard University economics professor Raj Chetty and Microsoft XBOX Chief Executive Officer Asha Sharma. While announcing the leadership, Warsh said “the goal is straightforward: To ensure the Fed is best positioned to achieve our objectives in this consequential time”.

(Business Standard)

BANKING & FINANCE

Mutual fund SIP inflows rise to record Rs 31,781 crore in June; stoppage ratio moderates to 91%: Monthly systematic investment plan (SIP) contributions climbed to a record Rs 31,781 crore in June, rising 2.7 percent from Rs 30,954 crore in May 2026 and 16.5 percent from Rs 27,269 crore in June 2025. The month also saw a further improvement in the SIP stoppage ratio, with fresh registrations outpacing discontinued

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SIPs for the second consecutive month. According to data released by the Association of Mutual Funds in India (AMFI), the industry registered 55.51 lakh new SIPs during June, while 50.64 lakh SIPs were discontinued owing to maturity or closure. Based on these figures, the SIP stoppage ratio stood at around 91 percent, a three month low.
(Moneycontrol)

Indian Bank Q1FY27 profit up 10% at ₹3,273 crore: Public sector lender Indian Bank on Friday reported a 10 per cent rise in net profit to ₹3,273 crore in the first quarter of FY2027 (Q1FY27) on growth of business. The Chennai-headquartered lender also saw an improvement in asset quality. Indian Bank reported a total income of ₹20,724 crore during the quarter, up from ₹18,721 crore in the same quarter of FY26. Net Interest Income increased by 16.9 per cent YoY to ₹7,435 crore in the quarter ended June 2026. Domestic Net Interest Margin (NIM) improved to 3.41 per cent in June 2026 from 3.35 per cent in June 2025. Total business increased by 13.7 per cent, reflecting broad-based momentum across operations.
(Business Line)

Bank of Maharashtra profit rise 27% to Rs 2,020 crore: Bank of Maharashtra (BoM) on Friday reported a 26.84% year-on-year (y-o-y) jump in net profit to Rs 2,020 crore for the June quarter, driven by healthy growth in net interest income, improved asset quality and a sustained push towards low-cost deposits. Operating profit for the quarter rose 21.29% to Rs 3,117crore. On the asset quality front, the bank’s gross NPA stood at 1.45%, and net NPA was at 0.13%, both flat sequentially.
(Financial Express)

FM Nirmala Sitharaman to meets heads of PSU banks on Mon, review foreign currency deposit mobilisation: Finance Minister Nirmala Sitharaman will meet public sector bank heads on Monday. The meeting will review progress on attracting foreign currency deposits from NRIs. RBI withdrew interest rate ceilings on certain foreign currency deposits until September 30. Concessional forex swap facilities are offered to banks for FCNR(B) deposits. This initiative aims to boost foreign currency inflows and credit flow to productive sectors.
(Economic Times)

Life insurance new business premiums rise 16.6% in Q1 on private insurers' growth: Report: India's life insurance sector began FY27 with robust new business premiums, growing 16.6 percent. Private insurers significantly outpaced the market, increasing their share to nearly forty percent. This growth stemmed from steady retail product demand and a recovery in group business. Monthly premiums also saw a thirteen percent rise in June, reversing last year's contraction.

(Economic Times)

INDUSTRY OUTLOOK

NSE launches Nifty500 Ahimsa Index for values-based investing, paving way for ethical ETFs: NSE Indices, has launched the Nifty500 Ahimsa Index, a thematic benchmark that tracks companies whose business practices align with the principle of Ahimsa, or non-violence, marking a step towards values-based investing in India's capital markets. Developed in collaboration with the Ahimsagain Foundation, the index is aimed at investors seeking exposure to companies that do not engage in activities involving harm to animals. Unlike conventional environmental, social and governance (ESG) indices, the benchmark applies a dedicated ethical screening framework based on the foundation's Ahimsa Investment Movement (AIM) methodology. Companies are classified into Green, Orange and Red categories, with firms falling in the Orange and Red categories excluded from the index.

(Moneycontrol)

Ethanol blending to shield consumers from oil price shocks: Govt: The government on Friday argued that India’s ethanol blending programme is primarily aimed at shielding consumers from global crude oil price shocks rather than reducing petrol prices at the pump, even as it acknowledged that E20 petrol is costlier to produce than conventional petrol when international crude prices are around $70 a barrel. In a detailed FAQ, the Ministry of Petroleum & Natural Gas (MoPNG) said the real objective of ethanol blending is to reduce India’s dependence on imported crude

by ensuring that nearly one-fifth of every litre of petrol sold is domestically produced ethanol, the price of which remains insulated from daily swings in global oil markets.
(Business Line)

Regulatory changes, valuation pressures pull down life insurers' returns: India's listed life insurance companies have largely failed to reward shareholders over the past five years, with three of the four listed firms delivering negative stock returns, reflecting a sharp de-rating of the sector amid regulatory changes, slowing growth in profitable product segments and persistent pressure on valuations. Data for the five years ended July 10, 2026, show that while SBI Life Insurance generated positive returns, shares of Life Insurance Corporation of India (LIC), HDFC Life Insurance, and ICICI Prudential Life Insurance declined.
(Business Standard)

REGULATION & DEVELOPMENT

Trai says no app can block phone calls from 1600 number series, DND app can block promotional calls from 140 series: No app can block phone calls originating from 1600 number series that are meant for communications by regulated entities and the government to citizens, Trai said on Friday, asserting its stance amid an ongoing tussle with caller identification app Truecaller over the labelling and identification of calls from the dedicated number series. The Telecom Regulatory Authority of India (Trai) has also clarified that promotional calls originating from 140 number series cannot be tagged or filtered by an app and can only be blocked by DND registry which is managed by the regulator. TRAI has also clarified that promotional calls originating from 140 number series cannot be tagged or filtered by an app and can only be blocked by the DND registry. "Under the Telecom Commercial Communications Customer Preference Regulation (TCCCPR), any tagging, blocking or filtering of the calls originating from 1600 series numbers is not permitted," Trai said.
(Moneycontrol)

India exempts GIFT City units from foreign vessel licensing: The government on Friday exempted entities operating in Gujarat International Finance Tec-City (GIFT City) from obtaining licences to charter foreign vessels for export-import cargo movement and international trade operations. The Ministry of Ports, Shipping and Waterways said the move is aimed at simplifying the regulatory framework for chartering foreign vessels and is expected to boost maritime leasing, ship financing and ship ownership activities through GIFT City.

(Moneycontrol)

Coming soon: KYC from home for NRIs, foreigners looking to invest in India: The Finance Ministry and SEBI are working towards simplifying the onboarding process for NRIs and foreign nationals looking to invest in the Indian market, and could scrap the mandate that they be physically present or visit a bank branch to complete their KYC paperwork. The reform measures on the anvil are likely to include a video-based KYC process, Aadhaar-based authentication for NRIs holding a UID number, the recognition of digital signatures from other countries, and the possible introduction of a digital notarisation process, senior officials involved in the deliberations told Business Standard. “Right now, for NRIs or foreign investors coming in, there are lots of challenges in terms of due diligence, and they take almost a month to be onboarded into our financial system. NRIs have to, in fact, be physically present to open a bank account in India,” a finance ministry official said on Friday.

(Business Standard)

FINANCIAL TERMINOLOGY

HYSTERESIS IN ECONOMICS

- Hysteresis describes the phenomenon where temporary economic shocks leave permanent effects on an economy's long-term productive capacity. For instance, a prolonged recession can result in workers losing skills, businesses reducing investment, and lower labour force participation, causing potential output to remain below its pre-crisis trend even after recovery begins.

  Modern macroeconomic research recognizes hysteresis as an important challenge because conventional stabilization policies may not be sufficient to restore lost productive capacity. Consequently, governments often complement monetary easing with structural reforms, skill development, and targeted fiscal interventions to minimize long-term economic scarring.

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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 : 95.3129
INR / 1 GBP : 128.0252
INR / 1 EUR : 109.0815
INR /100 JPY: 59.0200

EQUITY MARKET

Sensex: 77569.39 (+827.57)
NIFTY: 24206.90 (+244.10)
Bnk NIFTY: 58045.90 (+793.45)

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