

DAILY NEWS DIGEST BY BESI BOARD

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ECONOMY

India-UK free trade pact to take effect July 15 after breakthrough in steel deadlock: The India-UK free trade agreement will officially enter into force on July 15, opening British markets wider for Indian exports such as textiles, footwear, agri products and gems & jewellery, following a last-mile breakthrough reached on a deadlock over steel import quotas. The announcement on the deal, officially called the Comprehensive Economic and Trade Agreement (CETA), followed a bilateral meeting between Prime Minister Narendra Modi and UK Prime Minister Keir Starmer at the sidelines of the G7 meeting in Evian, France.

(Business Line)

US Federal Reserve keeps rates unchanged in Kevin Warsh's first meeting as Chair, flags Middle East risks: The US Federal Reserve has kept interest rates unchanged on Wednesday, delivering a widely expected decision in the first policy meeting chaired by Kevin Warsh. The policy makers weighed persistent inflation pressures against a still-resilient economy. The Federal Open Market Committee (FOMC) left the federal funds rate unchanged at 3.5%-3.75%, extending a pause that has been in place since late 2025. The decision comes as inflation remains above the Fed's 2% target despite signs of moderation in recent months, while economic growth and labor market conditions continue to hold up.

(Moneycontrol)

US, Iran unveil 14-point interim pact to halt conflict, reopen Hormuz: The United States and Iran on Wednesday unveiled a 14-point interim agreement aimed at ending the ongoing conflict between the two countries, restoring commercial shipping through

the Strait of Hormuz and launching negotiations for a broader peace settlement. The document, titled the Islamabad Memorandum of Understanding between the United States of America and the Islamic Republic of Iran, was read out to reporters by a senior US official. It outlines a framework agreement that postpones some of the most contentious issues—including the future of Iran's nuclear programme—until a final accord is negotiated. The two sides are expected to begin formal negotiations in Switzerland on Friday, with a target of reaching a comprehensive agreement within 60 days.

(Business Standard)

BANKING & FINANCE



RBI asks HDFC Bank to fast-track chairman appointment: With a day left for Keki Mistry's tenure as interim chairman to come to an end, the banking regulator is said to have urged HDFC Bank's board to expedite the search for a non-executive part-time chairman. People aware of the matter say the Reserve Bank of India is of the view that critical decisions could remain pending for want of a chairman. "Mistry's position is interim, and there are some matters where he has limited bandwidth to take a call. It is important for bank to install a non-interim chairman,"

(Moneycontrol)

RBI withdraws interest rate ceiling on fresh three-, five-year FCNR-B deposits: RBI said on June 17 that it will temporarily withdraw the interest rate ceiling on fresh three- and five-year FCNR-B deposits until September 30, 2026, as part of its review of its deposit interest rate directives from 2025. The central bank further said that it will withdraw the restriction on interest rates on non-resident external (NRE) deposits of three-year tenors and above, including the deposits that are renewed upon maturity, until September 30. As per existing guidelines, For FCNR(B) deposits of one year to less than three years, the ceiling rate will be 250 basis points (bps) above the overnight alternative reference rate, while for those which are three years to five years, the ceiling rate can be 350 bps above the reference rate. Further, the existing guidelines

say, Interest rates on NRE or NRO deposits shall not be higher than those offered by the bank on comparable domestic rupee term deposits.

(Moneycontrol)

PhonePe, Google Pay combined market share falls below 80% for the first time:

PhonePe and Google Pay together held 79 percent of the UPI market share in May 2026, according to data from NPCI. The collective dominance of the two leading entities dipped below 80 percent, marking a historic shift since the NPCI began releasing app-specific transaction data. However, only six months are left before the deadline for implementation of the 30 percent market cap rule for a single UPI app. The gradual loss of market share indicates a loosening grip of the top two players on the country's popular payments platform, accounting almost 86 percent of all digital transactions.

(Moneycontrol)

NPCI unveils Drunix to support blockchain and tokenisation ecosystems:

The National Payments Corporation of India (NPCI) rolled out Drunix, an open-source blockchain platform, to help companies build and scale tokenisation platforms, digital asset ecosystems, multi-organisation networks. Drunix enables blockchain deployment at scale and is engineered for enterprise and public infrastructure adoption. NPCI said it is a high-performance distributed ledger platform built as an enhanced fork of Hyperledger Fabric. Hyperledger Fabric is an open-source enterprise blockchain framework developed under the umbrella of the Linux Foundation.

(Business Standard)

HDFC Bank raises \$750 mn via 5-year bond issue from GIFT City unit:

HDFC Bank, India's largest private-sector lender, has raised \$750 million through a five-year senior unsecured bond issue, marking one of the largest offshore fundraisings by an Indian bank this year and the first such issuance since the Reserve Bank of India (RBI) operationalised its concessional hedging window for overseas borrowings by lenders. More banks including State Bank of India, Bank of India, Bank of Baroda are likely to follow suit. The bonds, issued through the bank's International Financial Services Centre (IFSC) Banking Unit at GIFT City, carry a fixed coupon of 5.067 per cent and will mature on June 24, 2031.

(Business Standard)

INDUSTRY OUTLOOK



Centre clears Rs.22 crore aid for startups under Green Hydrogen Mission: Union Minister Pralhad Joshi on Wednesday announced the approval of the first batch of Rs.22 crore support to nine startups under the National Green Hydrogen Mission's (NGHM's) Rs.100 crore startup support programme. During a workshop on NGHM organised by the Ministry of New and Renewable Energy (MNRE) on Wednesday, Joshi also launched the Green Hydrogen Certification Portal of India (GHCI) to facilitate certification and regulatory compliance under the Green Hydrogen Certification Scheme of India. He also urged states to expedite the finalisation of their green hydrogen policies. He said, "Wherever the policy is finalised, execution and implementation should be expedited to achieve their set ambition. We will support all the states."

(Business Standard)

Adani Green seeks to raise \$1 billion via offshore loan after US settlement: Adani Green Energy Ltd. is seeking to raise as much as \$1 billion through an offshore loan, according to people familiar with the matter, its first overseas borrowing since emerging from legal troubles in the US. The company is in early talks with lenders and advisors to raise a dollar loan, which may be raised in two tranches over the next three months, the people said, asking not to be identified because the information is private. The five-year facility will be priced over the benchmark Secured Overnight Financing Rate, or SOFR, they said.

(Business Standard)

Govt's 5% GIC Re offer for sale fully subscribed; boosts FY27 divestment drive: The government's offer for sale (OFS) of a 5% stake in state-owned reinsurer General Insurance Corporation of India (GIC Re) was fully subscribed on Wednesday, with investors taking up both the 2% base offer and the 3% greenshoe option, according to

the Department of Investment and Public Asset Management (Dipam). The government held 82.4% in GIC Re before the share sale. Following the divestment, its stake is expected to decline to about 77.4%, meaning it comfortably retains majority ownership in the company.

(Mint)



REGULATION & DEVELOPMENT

SC's Rs.30,000 homemaker benchmark may lift accident compensation payouts:

A Supreme Court ruling has assigned a notional monthly value of Rs.30,000 to unpaid household work. This decision is expected to significantly increase compensation payouts in motor accident claims. Insurers will likely need to reassess their reserves for third-party claims. The ruling recognizes the economic contribution of homemakers, potentially leading to higher awards in death and injury cases.

(Economic Times)

Irdai proposes framework for regulation-making, public consultations: The Insurance Regulatory and Development Authority of India (Irdai) on Wednesday proposed a framework for making regulations and issuing subsidiary instructions under the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025. The draft regulation seeks to standardise the process for framing, amending and reviewing regulations, while codifying existing practices relating to stakeholder engagement, public consultation and publication of draft regulations. Under the proposal, Irdai will be required to publish draft regulations on its website along with a statement of particulars detailing the statutory provisions invoked, regulatory intent and, where applicable, relevant global best practices.

(Business Standard)

Sebi warns investors against trading unlisted stocks on unauthorised sites: SEBI on Wednesday issued a fresh warning to investors regarding transactions in unlisted securities of public limited companies conducted through unauthorised electronic platforms and websites. "Investors are once again cautioned about the risks in

conducting any transactions/trading on such electronic platforms or sharing any sensitive personal details on the same as these platforms are neither authorised nor recognised by Sebi,” the regulator said in a press release. Sebi had earlier issued similar cautions in December 2024 and August 2016, advising investors against conducting any transactions or sharing personal details on such platforms. However, the regulator has noted that such platforms continue to operate and facilitate trading in unlisted stocks.

(Business Standard)



FINANCIAL TERMINOLOGY

WEAK SISTER

- A "weak sister" describes the least dependable component in a process or group that can undermine the whole. The term is often used in finance to describe an underperforming investment, business, or even an economy that creates problems for stakeholders.
- Spotting a weak sister helps investors and advisors manage risk and improve portfolio results. For example, one lagging asset in a diversified portfolio can drag down overall returns.
- Weak sisters are what hold someone or something back. It could be a malfunctioning part of a team-oriented task, such as the slowest member of an assembly line or a sluggish marketing team. Alternatively, it may describe a security, economy, or business unit that performs worse than others.



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 : 94.3758
INR / 1 GBP : 126.5988
INR / 1 EUR : 109.5401
INR /100 JPY: 59.8900

EQUITY MARKET

Sensex: 77155.62 (+347.14)
NIFTY: 24085.70 (+96.55)
Bnk NIFTY: 57585.05 (+287.90)

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TEAM BFSIB

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

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