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)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003
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DAILY NEWS DIGEST BY BFSI BOARD

18 July 2026

ECONOMY

Government targets 25% food processing levels by 2031, seeks investments: Government is aiming to increase overall levels of food processing to 25 per cent by 2031 from 17 per cent in 2023, Food Processing Secretary Avinash Joshi said on Thursday. Noting that the PLI scheme for the food processing sector has been one of the most successful schemes, he added that the Ministry is looking at other measures to encourage enhanced investments in the sector. He also urged the industry to ensure compliance with food safety regulations and to promote healthier choices and responsible processing.
(Business Line)

Indian mithai finds a sweet spot on global shelves as exports surge 10%: India's Rs.1.5 lakh-crore mithai and namkeen market is no longer just a festive domestic indulgence but is garnering significant global traction. And consumption is rapidly expanding beyond the Indian diaspora to foreign populations. "About 10 per cent of Indian sweets and namkeens are exported, with shipments growing at over 10 per cent annually," Feroz H Naqvi, Director-General, Federation of Sweets and Namkeen Manufacturers (FSNM), told businessline on the sidelines of the World Mithai & Namkeen Convention (WMNC) Purchasing 2026.
(Business Line)

India to launch headline services output index within months, statistics secretary says: India plans to roll out a headline Index of Services Production within months, the country's statistics secretary said, giving investors a single monthly gauge of output in the country's dominant services sector for the first time. The Ministry of

Statistics and Programme Implementation released trial monthly indices for 19 service sub-sectors covering about 60 per cent of the formal services economy on Tuesday, but did not publish a composite headline measure. Unlike manufacturing, which is tracked through the monthly Index of Industrial Production and surveys such as the PMI, India has no official monthly gauge for output across its dominant services sector.

(Business Line)

BANKING & FINANCE

Central Bank of India Q1 profit rises 13% to Rs 1,323 crore; bad loans see a sharp fall: Central Bank of India posted its net profit for the June quarter at Rs 1,323 crore, advancing 13% year-on-year from Rs 1,168 crore posted in the year-ago period. On a sequential basis, the lender registered a growth of over 82% from Rs 724 crore reported in Q4FY26. The bank's total income for the first quarter of financial year 2027 was reported at Rs 10,677 crore, jumping 3% from Rs 10,359 crore. However, on a sequential basis, it declined over 1% from Rs 10,810 crore reported in the preceding quarter. The lender's gross non-performing asset ratio for the reporting quarter was pegged at 2.60%, registering an improvement of 53 basis points from 3.13% reported in Q1FY26. While, its net NPA for the June quarter stood at 0.49%.

(Financial Express)

Banks seek RBI clarity on collateral-free loans up to Rs 20 lakh for small businesses: Banks face challenges extending collateral-free loans up to twenty lakh rupees. Some accounts are not covered by the government guarantee scheme for small firms. Many borrowers are unwilling to pay additional guarantee fees for these loans. Lenders plan to approach the government and RBI regarding these issues. This situation impacts credit access for micro and small enterprises.

(Economic Times)

RBI imposes penalties on Muthoot Finance, 5 others for compliance violations: The Reserve Bank of India has imposed penalties on six financial companies. Muthoot Finance received a Rs 5.80 lakh fine for risk management failures. Avail Financial Services was fined for director conflicts and exposure breaches. PAN Emami Cosmed faced penalties for exceeding credit exposure limits. Satya MicroCapital was penalized for incorrect NPA classification after restructuring.

(Economic Times)

An eye for dollars: SBI brings in $1.9 billion in foreign-currency resources via special scheme, way ahead of peers: State Bank of India mobilized nearly two billion dollars under a central bank incentive. This amount significantly surpasses other state-owned and private sector banks' efforts. Other lenders like Bank of Baroda and Canara Bank raised smaller sums. Banks are now focusing on attracting overseas currency inflows from the Indian diaspora. This strategy aims to provide greater flexibility for high-net-worth clients.

(Economic Times)

Private insurers seek tweaks in unlisted investment plan: Private insurers want Irdai to change proposed investment norms for unlisted companies. They suggest linking exposure limits to shareholders' funds instead of surplus. This change could unlock billions for investment in privately held businesses. The proposed framework may expand sector investment capacity significantly. Insurers seek greater flexibility in managing investment portfolios.

(Economic Times)

RBI issues consolidated norms for Special Rupee Vostro Accounts and trade: The Reserve Bank of India (RBI) on Friday issued a consolidated circular on Special Rupee Vostro Accounts (SRVAs), rationalising instructions spread across five earlier circulars issued between July 2022 and October 2025. The RBI reiterated that settlement of cross-border trade transactions through SRVAs remains an additional arrangement for invoicing, payment and settlement of exports and imports in rupees, alongside all permissible current and capital account transactions under the Foreign Exchange Management Act (FEMA). AD banks maintaining SRVAs have also been permitted to open an additional current account for exporters and importers exclusively for the settlement of trade transactions. The central bank said SRVAs may be funded through inward remittances or transfers from other repatriable rupee accounts, with proceeds from permissible current and capital account transactions also eligible to be held in these accounts. Investments in debt instruments out of SRVA balances will continue to be governed by the RBI's Master Direction on Non-resident Investment in Debt Instruments.

(Business Standard)

AMFI eases mutual fund transmission process for nominees, legal heirs: The Association of Mutual Funds in India (AMFI) has further simplified the process for the transmission of mutual fund units following an investor's death by introducing measures aimed at reducing documentation-related hurdles for nominees and legal heirs. Under the revised standard operating procedure (SOP), asset management companies (AMCs) can rely on the latest available address of the deceased unit holder, supported by relevant documents, if the address in the records does not match. AMFI has also introduced a harmonised framework to deal with minor and major mismatches in the name or signature of the deceased investor, aligning the process with the provisions applicable to registrars and transfer agents (RTAs) under Sebi's February 2026 master circular.

(Business Standard)

INDUSTRY OUTLOOK

Reliance beats Street expectations as all key businesses post double-digit growth: Reliance Industries Ltd (RIL) reported a stronger-than-expected performance for the June quarter, with double-digit growth across its key businesses--oil-to-chemicals (O2C), digital services and retail--helping the conglomerate weather one of the biggest energy-market shocks in recent years. The company posted record recurring operating profit and its highest-ever recurring quarterly net profit, even as reported earnings were affected by a one-off gain in the year-ago period. Consolidated revenue rose 25 percent from a year earlier to Rs 3.40 lakh crore, driven by robust momentum across O2C, digital services and retail, all of which delivered double-digit revenue growth. Reported profit, however, declined by 24.6 percent because the corresponding quarter last year included a one-time gain of Rs 8,924 crore from the sale of its stake in Asian Paints Ltd.

(Moneycontrol)

Apple surpasses Nvidia to become world's most valuable company: Apple Inc reclaimed the title of the world's most valuable company, with a market value nearing $4.9 trillion as Nvidia slipped. Investors are increasingly betting on Apple's ability to monetise artificial intelligence through its ecosystem, services, and hardware — not just AI infrastructure. Apple was last valued at $4.88 trillion as its shares held steady, while Nvidia was roughly at $4.86 trillion, following a 3.5% decline.

(Moneycontrol)

Gujarat tops Niti Aayog's Investment Friendliness Index: Gujarat topped the Investment Friendliness Index (IFI) unveiled by government think tank NITI Aayog on Friday, reflecting its strong investment ecosystem and recognising the pivotal role of states in fostering a conducive business climate. Gujarat secured the highest score of 56.6 out of 100, driven by efficient port operations, a competitive power sector ensuring reliable electricity supply, and an overall favourable business environment. Maharashtra followed with 53.7, backed by strong private equity and venture capital inflows, the highest number of Atal Tinkering Labs (ATLs), and robust economic indicators. Tamil Nadu ranked third with a score of 53.3, benefiting from efficient port infrastructure, a near-100% memorandum of understanding (MoU) conversion rate and strong export performance. It was followed by Goa (53.1) and Odisha (52.4).

(Financial Express)

REGULATION & DEVELOPMENT

SEBI allows SWP, STP standing instructions for mutual fund units held in demat accounts: The Securities and Exchange Board of India (SEBI) has introduced a significant investor-friendly reform by allowing mutual fund investors holding units in demat form to create standing instructions for Systematic Withdrawal Plans (SWPs) and Systematic Transfer Plans (STPs). The move is aimed at improving ease of investing and bringing parity between investors holding mutual fund units in physical and demat formats. At present, investors can set up standing instructions for SWPs and STPs only through mutual funds or their Registrar and Transfer Agents (RTAs) when units are held outside the demat system. This facility has not been available for demat-held mutual fund units.

(Business Today)

EPFO launches scheme for dispute settlement: The Employees' Provident Fund Organisation (EPFO) has launched "VISHWAS, 2026", a one-time initiative for settlement of disputes relating to levy of damages or penalties through a digital and time-bound process. The scheme was notified on June 29 and will remain operational for six months. "VISHWAS, 2026 has been introduced with the objective of promoting voluntary compliance, reducing litigation, and enabling speedy resolution of long-pending disputes relating to penalty/damages while safeguarding the interests of employees," the labour ministry said in a release.Penalties for defaults pertaining to the period prior to June 14, 2024 will be recalculated at a lower rate of 0.25% per month for defaults up to two months, 0.50% per month for defaults from two to less than four months, and 1% per month for defaults exceeding four months.

(Financial Express)

IAMAI launches E-Commerce Council to strengthen digital commerce ecosystem: The Internet and Mobile Association of India (IAMAI) on Friday launched the E-Commerce Council of India (ECCI), a nationwide platform dedicated to advancing the country's digital commerce ecosystem through collaborative engagement among industry, government and other key stakeholders.The ECCI initiative has so far onboarded 70-80 members, including companies such as Amazon, Flipkart, Indiamart, ixigo, Uber, Rapido, Shiprocket, eBay, Urban Company and Meesho. ECCI said it will work across key pillars that are central to the future of digital commerce, including service e-commerce, product e-commerce, digital trade, logistics and supply chain, mobility, MSME enablement and market access, and travel tech.

(Business Standard)

FINANCIAL TERMINOLOGY

FLYWHEEL STRATEGY

- The Flywheel Strategy is a business growth model where every successful activity strengthens the next one, creating continuous momentum rather than depending on isolated business initiatives.
- Instead of focusing only on sales, companies improve customer experience, operational efficiency, innovation, and loyalty simultaneously. Over time, growth becomes self-sustaining.
- For example: A bank offers excellent digital onboarding, resulting in higher customer satisfaction. Happy customers recommend the bank, increasing CASA deposits. Higher deposits improve lending capacity, generating more profits that are reinvested into technology, further improving customer experience.

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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 : 96.3665
INR / 1 GBP : 129.8323
INR / 1 EUR : 110.3384
INR /100 JPY: 59.3500

EQUITY MARKET

Sensex: 78151.45 (+964.58)
NIFTY: 24334.30 (+261.55)
Bnk NIFTY: 58521.40 (+939.15)

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

- 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)