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
Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

DAILY NEWS DIGEST BY BFSI BOARD

25 July 2026

ECONOMY

India's forex reserves jump $1.08 billion to $676.237 billion: India's forex reserves jumped by USD 1.08 billion to USD 676.237 billion during the week ended July 17, according to the RBI data released on Friday. In the previous reporting week, the overall forex kitty had jumped by USD 964 million to USD 675.157 billion. Forex reserves had expanded to an all-time high of USD 728.494 billion during the week ended February 27 this year before the onset of the Middle East conflict, which led to several weeks of a drop as the rupee came under pressure and the RBI had to intervene in the forex market through dollar sales. Prime Minister Narendra Modi has also made multiple public appeals starting May 11 to countrymen to conserve forex by cutting down on foreign travel, limiting fuel use and refraining from gold buys for a year. ***(Moneycontrol)***

India secures lower 10% US forced-labour tariff under new Section 301 regime: India has secured a lower 10 per cent US tariff under Washington's new Section 301 forced-labour regime, placing it on par with competitors such as Bangladesh, Sri Lanka, Indonesia, Malaysia and Pakistan and below the 12.5 per cent rate that will apply on some other economies, including Vietnam, after New Delhi tightened its import rules to prohibit goods made with forced labour. For most Indian exporters the overall tariff burden will remain broadly unchanged as the new forced labour levy, applicable on 60 trading partners, replaces the temporary 10 per cent global tariff imposed under Section 122, which expires on July 24. Most Indian exports will thus continue to face an additional 10 per cent duty over and above the applicable MFN tariff (the normal US customs duties).
(Business Line)

India's private sector activity fell to 4-year low in July: Flash PMI: India's private sector activity slowed to a four-year low in July as growth in sales and output weakened amid renewed tensions in West Asia and rising inflationary pressures, according to HSBC's flash Purchasing Managers' Index (PMI) survey released on Friday. Compiled by S&P Global, the index fell to 54.3 in July from a final reading of 57.1 in June. The reading was the lowest since March 2022, when it also stood at 54.3. However, the index remained above the 50 mark, which separates expansion from contraction, for the 60th consecutive month.
(Business Standard)

BANKING & FINANCE

BNP Paribas Cardif seals buyout of 26% stake in IndiaFirst Life from Warburg Pincus: BNP Paribas Cardif, the insurer of BNP Paribas Group, has entered into a definitive agreement to acquire a ~26% stake in IndiaFirst Life Insurance Company Limited from Warburg Pincus, according to an official announcement on July 24. "By combining Bank of Baroda's strong branch network, IndiaFirst Life's multi-channel distribution strength and BNP Paribas Cardif's global bancassurance expertise, product innovation and insurance capabilities, the shareholders aim to accelerate IndiaFirst Life's next phase of growth," the announcement said.
(Moneycontrol)

Bank of Baroda Q1FY27: Net profit falls 72% after Rs 5,680 cr one-time settlement, NII rises 9.5%: Bank of Baroda reported a standalone net profit of Rs 1,278 crore for the June quarter, down 71.86% year-on-year from Rs 4,541.4 crore in the same period last year. The loss comes after the state-owned lender booked a one-time exceptional loss of Rs 5,680.2 crore linked to an out-of-court settlement by its Abu Dhabi branch. According to the Q1 report, the country's second-largest public sector bank's core operations showed steady momentum. Net interest income for Q1 FY27 rose 9.5% to Rs 12,524 crore, up from Rs 11,435 crore in the corresponding quarter of the previous fiscal.

(Financial Express)

Bank credit growth eases to 17.7% in fortnight to July 15: Bank credit growth saw a slight deceleration to 17.7 percent year-on-year. Deposit growth also moderated to 12.7 percent in the same period. Outstanding bank credit reached Rs 217.3 lakh crore by mid-July. Deposits stood at Rs 262.9 lakh crore, maintaining a healthy ratio. Bankers noted steady credit demand, especially from the corporate sector.

(Economic Times)

Parliamentary panel backs Sebi board expansion, longer cooling-off period for top brass: A parliamentary panel has proposed doubling the cooling-off period to two years before the chairperson and whole-time members of the Securities and Exchange Board of India (Sebi) can take up new jobs, to avoid any potential conflict of interest. Standing Committee on Finance, headed by Bhartruhari Mahtab, backs key provisions of the Securities Markets Code Bill, including raising Sebi board strength to 15 from 9, and calls for a regulatory framework for virtual digital assets

(Economic Times)

ICICI Bank raises $1 billion through 5-year USD bonds at T+100 bps: ICICI Bank, India's second-largest private sector lender, has raised $1 billion through a five-year senior unsecured US dollar bond, marking its first public dollar bond issuance since 2017.The deal is also the largest single-tranche US dollar bond issuance by an Indian issuer so far in 2026.The Rule 144A/Reg S issue was priced at a spread of 100 basis points (bps) over the five-year US Treasury yield, tightening by 30 basis points from the initial price guidance of Treasury-plus 130 bps, reflecting strong investor demand. The bonds carry a coupon of 5.46 per cent. The issue attracted orders exceeding $2.3 billion, making it about 2.3 times oversubscribed.

(Business Standard)

Bank of India Q1 profit grows 36% to Rs.3,068 cr on healthy loan growth: State-owned Bank of India on Friday reported a 36.23 per cent year-on-year (Y-o-Y) rise in net profit at Rs.3,068 crore for the first quarter of FY27 from Rs.2,252 crore in the year-ago period, driven by healthy loan growth. Net interest income (NII) for the quarter rose

12.61 per cent Y-o-Y to Rs.6,833 crore from Rs.6,068 crore. Net interest margin (NIM), however, moderated slightly to 2.52 per cent from 2.55 per cent a year earlier. On asset quality, gross non-performing asset (NPA) ratio improved to 1.81 per cent from 2.92 per cent and net NPA ratio eased to 0.51 per cent from 0.75 per cent.

(Business Standard)

INDUSTRY OUTLOOK

Odisha to house HCLTech's first data centre; Rs.15,000 cr AI push planned: India's third largest IT services company HCL Technologies (HCLTech) on Friday announced to set up a world-class global technology centre and an AI-optimised data centre in Bhubaneswar to innovate and deliver AI-led digital solutions to global enterprises. This will be the company's first AI data centre. The proposed global technology centre and AI data centre will come up in the upcoming Odisha Sovereign AI Park, being developed in partnership with Sarvam AI and the Odisha government. The technology centre expected to start its operations by 2028 will house 5,000 employees.

(Business Standard)

Private investment in India's space sector crosses $618 million, says govt: Private investment in India's space sector has crossed $618.5 million, with the government issuing 105 authorisations to non-government entities (NGEs) as reforms drive greater private participation in the industry, Space, Science and Technology Minister Jitendra Singh informed the Rajya Sabha on Thursday. Replying to an unstarred question, Singh said private funding has risen nearly six-fold over the past few years, surging to $348.5 million in 2023-24 from $100.5 million in 2021-22, before reaching $618.5 million by March 31, 2026. Of this, $187 million was reported during 2026, while 105 authorisations had been granted to private entities as of July 14, 2026.

(Business Line)

India to roll out common customer ID for banks, insurers; mutual funds to follow: Report: Indian banks and insurers will launch a common customer identification system in August, with asset managers joining later, two regulatory sources and industry executives said, allowing customers to access financial products without separately submitting identification documents. The new system, known as Central Know-Your-Customer 2.0 (CKYC), will only require the customer's consent for these institutions to fetch data stored at a central registry when opening an account or updating their details.
(Business Standard)

REGULATION & DEVELOPMENT

Cabinet clears Bill prescribing up to 10-year jail, up to Rs.10 crore fine for paper leak convicts: The Union Cabinet on Friday approved a bill amending 'The Public Examinations (Prevention of Unfair Means) Act, 2024' to prescribe jail terms of up to 10 years and penalties of up to Rs.10 crore for individuals convicted in paper leak cases, official sources said. The bill will be introduced in Parliament on Monday. This development occurred after Prime Minister Narendra Modi announced around midnight on Thursday that a bill containing provisions for strong action against paper leaks would be introduced in Parliament next week. According to sources, the bill will provide for imprisonment of up to 10 years, with a minimum sentence of 5 years for individuals resorting to unfair means.
(Business Line)

SEBI proposes foreign investments, unhedged short positions for portfolio managers: The Securities and Exchange Board of India (SEBI) has proposed allowing portfolio managers to invest clients' funds in foreign securities and take unhedged short positions through equity exchange-traded derivatives as part of a comprehensive review of the SEBI (Portfolio Managers) Regulations, 2020 aimed at expanding investment avenues and aligning the regulatory framework with evolving market dynamics. The proposals have been put out for public consultation through a consultation paper on the draft SEBI (Portfolio Managers) Regulations, 2026. According to the consultation paper, portfolio managers are currently not permitted to invest client funds in foreign securities.

(Business Line)

Union Minister for Finance & Corporate Affairs outlines 5Rs of responsive tax governance; Calls for greater tax certainty and reduced litigation at the 167th Income Tax celebrations: Addressing the 167th Income Tax Day celebrations, Union Finance Minister Smt. Sitharaman emphasised that the role of the Income Tax Department has evolved from tax collection to building a fair, efficient, transparent and taxpayer-centric tax administration. She described the implementation of the Income-tax Act, 2025 as a landmark reform that has simplified the law, reduced compliance costs and strengthened ease of doing business. She outlined the 5Rs of Responsive Tax Governance - Recognise, Respond, Redress, Reflect and Reform, as guiding principles for taxpayer service, emphasising that honest taxpayers should experience convenience, opportunities to correct bona fide errors and a tax administration that exercises its authority with humility. Stressing that taxpayers are partners in India's development, she called for a continued focus on reducing litigation by strengthening tax certainty.

(PiB)

FINANCIAL TERMINOLOGY

EQUATION OF EXCHANGE

- The equation of exchange is an economic identity that shows the relationship between the money supply, the velocity of money, the price level, and an index of expenditures.
- It says that the total amount of money that changes hands in the economy will always equal the total money value of the goods and services that change hands in the economy.
- In its basic form, the equation says that the total amount of money that changes hands in an economy equals the total money value of goods that change hands, or that nominal spending equals nominal income.
- The equation of exchange has been used to argue that inflation will be proportional to changes in the money supply and that total demand for money can be broken down into demand for use in transactions and demand to hold money for its liquidity.

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
Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

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 : 96.5390
INR / 1 GBP : 128.5282
INR / 1 EUR : 109.8681
INR /100 JPY: 58.9300

EQUITY MARKET

Sensex: 76059.77 (-331.62)
NIFTY: 23767.45 (-102.15)
Bnk NIFTY: 56693.50 (+101.50)

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)