

## **DAILY NEWS DIGEST BY BFSI BOARD**

25 June 2026



### **ECONOMY**

**Now, govt to bring out a monthly Index of Services Production from July 14:** With services being the dominant growth engine of the economy, the government is set to launch the index of services production to measure the output of the sector in July. Designed on the lines of the index of industrial production that measures the factory or manufacturing output, the ISP will cover the formal services sector and will be released on a monthly basis. With a base year of 2024-25, the ISP will be released with a monthly frequency with a lag of about 60 days on the 29th of the month.

***(Business Today)***

**India-US trade talks progress, but pact timeline remains elusive:** Two days of intense negotiations between US Trade Representative Jamieson Greer and Commerce and Industry Minister Piyush Goyal ended on Wednesday without a breakthrough on the proposed interim bilateral trade deal. Both sides reported “substantial progress” but refrained from indicating when an agreement could be finalised. Sources said persistent uncertainty over the US tariff regime, including two ongoing Section 301 investigations involving India, as well as the need to safeguard sensitive sectors such as agriculture and address unresolved market access issues, were among the factors that necessitated more time for the negotiations.

***(Business Line)***

**Markets rebound as global uncertainty eases; crude falls, RBI calms rate hike concerns:** Equity markets staged a smart recovery on the back of positive signals including the slide in crude oil prices and RBI dousing the fear of possible rate hike to control soaring inflation. The bellwether BSE Sensex gained by 790 points to 76,991,

while Nifty was up by 198 points to 24,022 on Wednesday as the RBI statement gave hopes that the lower interest rate regime to support corporate earning in the coming days. The rebound in benchmark indices comes after Sensex and Nifty fell by 893 points and 279 points on Tuesday after seven straight sessions of gains exceeding 4 per cent.

*(Business Line)*

## **BANKING & FINANCE**



**RBI finalises guidelines on upper-layer NBFCs, unclear about listing of Tata Sons:** RBI on June 24 announced a set of directions for upper-layer NBFCs, which have overhauled the previous set of parametric scoring methodology. Under the new guidelines, it will now use an asset-size criterion of Rs 1 lakh crore and above to identify NBFCs that may be considered for inclusion in the upper-layer category. In the earlier framework, upper-layer entities were identified using a scoring methodology based on size, interconnectedness and complexity. This will now put the spotlight on Tata Sons, the holding company of the Tata group, which is registered as a core investment company (CIC) and has assets well above the prescribed threshold.

*(Moneycontrol)*

**RBI Proposes AI Risk Management Framework for Banks:** India's central bank has proposed rules requiring banks to strengthen oversight of risks tied to AI and machine-learning models, mandating board-approved policies, stronger controls and model inventories. The Reserve Bank of India said banks must put in place a board-approved risk management framework covering all models, including those for AI and machine-learning. Regulated entities must assess risk at both the individual model level and across the enterprise on an ongoing basis, the RBI said. If risks are found to be excessive, lenders should take timely corrective steps, including enhanced controls, restrictions on use, remediation or decommissioning of the model, and submit a report to the board's risk management committee, the bank added.

*(Moneycontrol)*

**RBI enhances customer protection for electronic banking transactions:** To enhance protection for customers, the Reserve Bank of India has asked banks to put in place a mechanism for compensation of up to Rs.25,000 for small value fraudulent electronic banking transactions (EBTs), mandatorily send instant SMS alerts to its customers for all EBTs of value more than Rs.500 and provide 24x7 access through various channels for reporting of fraudulent transactions. The burden of proving customer liability in complaints involving fraudulent EBTs shall lie on the bank. Accordingly, a Bank shall examine and classify each complaint under the relevant categories of EBTs, per the Reserve Bank of India (Commercial Banks - Responsible Business Conduct) Third Amendment Directions, 2026. A bona fide victim, being an individual person, including a sole proprietor, and having lodged a complaint involving gross loss of an amount up to Rs.50,000 on account of fraudulent EBT(s) will be compensated 85 per cent of the net loss amount or Rs.25,000, whichever is less, once during her / his lifetime, subject to conditions.

***(Business Line)***

**RBI to raise large exposure limit for upper layer NBFC-IFCs to 45% from 35% of eligible capital base:** The Reserve Bank of India (RBI) on Wednesday increased the large exposure limit for upper-layer infrastructure finance companies, allowing them to lend up to 45% of their eligible capital base to a group of connected borrowers, up from the earlier cap of 35%. The move applies to Non-Banking Financial Company-Infrastructure Finance Companies (NBFC-IFCs) that fall under the RBI's Upper Layer category, which comprises systemically important NBFCs subject to enhanced regulatory oversight.

***(Economic Times)***

**RBI mandates kill switch for AI models at banks, introduces comprehensive model risk framework:** The Reserve Bank of India is implementing stringent rules for banks and financial entities using Artificial Intelligence. A new draft framework mandates 'kill switches' for AI models, ensuring immediate shutdown if errors occur. Banks must also ensure human oversight, disclose AI use to customers, and manage risks associated with third-party AI providers. Board-level accountability for AI governance is a key focus, with a risk-based approach to model oversight.

***(Economic Times)***

# INDUSTRY OUTLOOK



**Gold slips to two-week low as Fed rate-hike bets buoy dollar:** Gold extended losses, touching its lowest in almost two weeks as the dollar climbed due to rising bets on U.S. interest rate hikes. Spot gold fell 1.1% to \$4,064.01 per ounce by 0431 GMT, having earlier hit its lowest since June 11. U.S. gold futures for August delivery declined 1.7% to \$4,080.80. Bullion has fallen about 23% since the onset of the U.S.-Israeli war on Iran in late February, as mounting inflationary pressure has given way to expectations of interest rate hikes by the U.S. Federal Reserve. While gold is traditionally seen as an inflation hedge, it loses its appeal as a non-yielding asset in a high-interest-rate environment.

## ***(Business Line)***

**Wipro expands partnership with Palo Alto Networks for AI cybersecurity services:** Wipro has on Tuesday announced the expansion of its partnership with Palo Alto Networks to offer AI-driven Managed Detection and Response (MDR) services. The partnership will combine Palo Alto Networks' Cortex XSIAM with Wipro's CyberShield offering along with the IT major's managed security services capabilities in a more focused manner for modern security operations. The offering will deliver proactive cyber defense with simplified workflows using artificial intelligence, machine learning and automation to predict and protect clients against future ransomware attacks.

## ***(Financial Express)***

**Listed pvt firms return to double-digit sales growth in FY26, led by manufacturing rebound: RBI:** Indian companies are back in the double-digit growth lane! The Reserve Bank of India reports that listed private non-financial firms saw sales jump 10.1% in FY26, a significant rebound. Manufacturing led the charge with

10.8% growth, driven by autos and food, while services also posted strong gains. However, input costs are rising for manufacturers.

*(Economic Times)*



## REGULATION & DEVELOPMENT

**SEBI eases certification norms for investment advisers, introduces lighter NISM exam:** SEBI relaxed certification requirements for certain employees of registered investment advisers, allowing sales and other non-core personnel to qualify through a lighter National Institute of Securities Markets (NISM) examination instead of the more rigorous investment adviser certification framework. SEBI has now created a separate category for employees who interact with clients but are not directly involved in investment advisory functions. These include sales staff, relationship managers and other personnel engaged in non-core services. Under the revised framework, such employees will be required to pass the NISM Series-XXV-B: Persons Associated with Investment Advice (Sales and Other Non-Core Services) Certification Examination, a specialised module designed for such persons.

*(Moneycontrol)*

**Amid fiscal worries, govt puts PSU share sales on fast track to raise funds:** The government is ramping up its sale of minority stake in state-owned companies this financial year to mobilise the targeted Rs.80,000 crore from equity and public asset holdings, and to bring down its stake in most listed public sector undertakings (PSUs) to 75 per cent by the end of the year, according to two government officials aware of the matter.

*(Business Standard)*

**RBI drops separate onshore-offshore foreign-exchange position calculation:** Banks will no longer be required to separately calculate onshore and offshore foreign-exchange positions, while certain structural foreign-currency exposures can be excluded from net open position (NOP) calculations, subject to prescribed conditions, according to the Reserve Bank of India's (RBI's) final amendment directions on NOP

issued on Wednesday. The central bank issued the final directions after examining feedback received on draft norms released in January. The revised framework, which will come into effect on April 1, 2027, aligns the calculation of foreign-exchange risk with Basel standards and clarifies the treatment of overseas operations, structural foreign-currency investments and derivative exposures. Under the revised framework, banks can exclude specified structural foreign-exchange positions from NOP calculations at both standalone and consolidated levels.

**(Business Standard)**



## FINANCIAL TERMINOLOGY

### QUANT FUND

- A quant fund is an investment fund that uses quantitative analysis for its investment selection process. It relies more on algorithmic, data-driven strategies than human judgment. Such non-traditional and passive funds use customized software models for investment decisions.
- The history of quant funds is rooted in decades-old quantitative analysis principles, with notable early influences from influential works like "Security Analysis" by Benjamin Graham and David Dodd. Supporters of quant funds believe that using computer programs reduces risks and losses compared to human fund managers.
- Yet they carry unique risks, such as high trading costs and the potential for failures due to unpredictable market events or excessive reliance on historical data.



### 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 : 94.6980  
INR / 1 GBP : 124.9322  
INR / 1 EUR : 107.6344  
INR /100 JPY: 58.5700

### EQUITY MARKET

Sensex: 76991.22 (+790.54)  
NIFTY: 24021.65 (+197.55)  
Bnk NIFTY: 58150.35 (+966.60)

### 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 2<sup>nd</sup> 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)

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