



# The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

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**

**02 June 2025**



### **ECONOMY**

**ADB to invest \$10 billion in urban infrastructure projects across India:** The Asian Development Bank (ADB) has announced a five-year plan to invest up to \$10 billion in India's urban infrastructure, with a focus on metro rail expansion, regional rapid transit corridors (RRTS), and city-level services such as water, sanitation, and housing. ADB President Masato Kanda, during his visit to India, said the plan will combine sovereign loans, private sector funding, and third-party capital. The investment will support India's urbanisation strategy as the country aims to improve infrastructure in anticipation of more than 40 percent of its population living in cities by 2030.

**(Moneycontrol)**

**Goods and Services Tax collection jumps 16% in May, stays above Rs 2 lakh crore:** In April, collections had hit an all time high of Rs 2.37 lakh crore, rising 13 percent from the previous month. India's consumption growth continued to shine with gross Goods and Services Tax collection rising 16% in May to Rs 2.01 lakh crore. May marks the second consecutive month with collections staying above Rs 2 lakh crore mark. "It's encouraging to see GST collections once again cross the ₹2 lakh crore mark. While last month's spike was expected with year-end reconciliations, the consistency this month along with a 16 plus percent year-on-year growth points to strong underlying momentum and a recovery that's clearly taking hold," said Abhishek Jain, head, indirect tax, KPMG India. In April, collections had hit an all time high of Rs 2.37 lakh crore, rising 13 percent from the previous month. Net GST revenue, which accounts for refunds rose faster at 20.4 percent to Rs 1.73 lakh crore.

**(Moneycontrol)**

**US imports plunge record 19.8% after Trump tariffs disrupt trade:** US goods imports plummeted nearly 20% in April — the steepest monthly decline since records began in 1992 — as businesses abruptly cut back on foreign purchases following President Donald Trump's new wave of tariffs. According to data released by the US Census Bureau on Friday, imports fell to \$276.1 billion, down 19.8% from March. The sharp drop came on the heels of Trump's April 2 announcement of sweeping tariffs, dubbed "liberation day" levies, which spurred a rush by companies to stock up on



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goods in March before the trade barriers took effect. The resulting whiplash in trade activity has upended US economic readings and fuelled instability across markets, the Financial Times reported.

**(Moneycontrol)**

## BANKING & FINANCE



**RBI imposed penalties on 353 banks, other regulated entities during FY25:** RBI took enforcement action against regulated entities (REs) and imposed 353 penalties aggregating to Rs 54.78 crore in the fiscal ending March 31, 2025 for contraventions with provisions of statutes. The contraventions/non-compliance were related to cyber security framework in banks; exposure norms and IRAC norms; know your customer directions; frauds classification and reporting directions; reporting information on CRILC; and submission of credit information to credit information companies (CICs). "During 2024-25, the Department undertook enforcement action against REs and imposed 353 penalties aggregating to Rs 54.78 crore for contraventions/non-compliance with provisions of statutes and certain directions issued by the Reserve Bank from time to time," according to the RBI's Annual Report for the Year 2024-25 released on Thursday.

**(Moneycontrol)**

**Time may be ripe for doubling deposit insurance cover to ₹10 lakh:** The time may be ripe for doubling the deposit insurance cover to ₹10 lakh as the coverage limit of deposit insurance has declined to 2.5 times per capita GDP in FY25 from 2.9 times in FY24 and 3.3 times in FY20. The deposit insurance cover was last increased from ₹1 lakh to ₹5 lakh with effect from February 4, 2020. The decline in the coverage limit of deposit insurance to 2.5 times per capita GDP in FY25, from 2.9 times in FY24, comes even as the share of term deposits of size '₹1 crore and above' rose to 45.1 per cent in March 2025 from 43.7 per cent in March 2024, according to RBI data.

**(Business Line)**

**Canara Bank waives minimum balance rule:** Canara Bank has scrapped the average monthly balance (AMB) requirement across all savings bank accounts in a bid to shore up deposits-an industry-wide challenge-amid falling interest rates and growing competition from capital markets. India's fourth-largest public sector bank by assets expects to lose "a few hundred crores" per year in penalty income due to the move but it hopes the move will encourage customers to shift funds into term or recurring deposits in the long term, executive director SK Majumdar said.

**(Economic Times)**

**RBI may introduce bank-like rate norms for NBFCs to plug policy gaps:** The Reserve Bank of India is contemplating interest rate regulations for NBFCs, similar to those for banks, to improve



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transparency and monetary policy transmission. The RBI aims to ensure borrowers benefit from benchmark rate adjustments by moving away from outdated prime lending rate models. Additionally, the central bank plans to enhance supervision and review fair interest rate practices for NBFCs.

**(Economic Times)**

## INDUSTRY OUTLOOK



**RBI policy, auto sales, FII flow, US tariffs, global cues among key triggers for Indian stock market:** The Indian stock market logged a second consecutive week of consolidation, but also a third straight monthly gain, supported by steady institutional inflows and earnings momentum despite geopolitical and trade concerns. Next, investors will monitor key market triggers in the first week of the new month. Monetary Policy Committee (MPC) meeting by the Reserve Bank of India (RBI), global tariff announcements, monthly auto sales, foreign capital flow, macroeconomic data, and global market cues will dictate the market direction.

**(Mint)**

**Lenders seek relaxations on proposed gold loan norms:** Lenders have sought relaxations on the Reserve Bank of India's proposed loan against gold collateral norms, saying apart from posing operational and commercial issues, the guidelines may push lower income borrowers to informal money lenders. According to the draft norms, lenders shall not extend loans where ownership of the collateral is doubtful. In case the original receipts of purchase of gold are unavailable, a document obtained from borrower shall be prepared explaining how the ownership of the collateral has been determined, which bankers say is challenging in nature. For bullet loans, loan-to-value (LTV) ratio has been proposed to be computed by treating the total amount repayable by the borrower at maturity rather than the loan sanctioned at origination. Unlike traditional loans, bullet loans enable borrowers to re-pay entire principal and interest on the loan at the end of maturity period.

**(Business Line)**

**Rail, waterways trade between India and Bangladesh sees sharp contraction in FY25:**

The once-robust trade corridor between India and Bangladesh is reeling from a sharp 45 per cent year-on-year contraction in cargo movement by rail, with the average daily rake count dropping to 0.92 in FY25 (less than one rake) from 1.64 in FY24. Another 20 per cent decline has been recorded in cargo movement throughout the India-Bangladesh Protocol Route (IBPR) waterways.

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## REGULATION & DEVELOPMENT

**IEPFA and SEBI Launch First “Niveshak Shivir” in Pune to Empower Investors and Resolve Unclaimed Dividends:** The Investor Education and Protection Fund Authority (IEPFA), under the Ministry of Corporate Affairs, in collaboration with the Securities and Exchange Board of India (SEBI), successfully launched the pilot chapter of Niveshak Shivir in Pune. The initiative is a part of IEPFA’s continued mission to empower investors and strengthen financial literacy. The event marked a significant step in facilitating direct engagement with investors and addressing unresolved financial claims. In line with IEPFA’s broader investor outreach initiatives, Niveshak Shivir was conceptualised to assist investors in resolving pending issues related to unclaimed dividends and shares, updating KYC and nomination details, and facilitating faster settlements of claims – all under one roof.

**(PiB)**

**MCA shifts e-filing forms totally to new portal:** The ministry of corporate affairs (MCA) will shortly discontinue the version 2.0 (V2) of the MCA21 portal, a platform used by companies and limited liability partnerships (LLPs) to make statutory filings, incorporation and closure of companies. In a notification, MCA said that it is launching a final set of 38 company forms, including 13 annual filing forms, 6 audit/cost audit forms on July 14. This launch will effectively shift the entire company filing process from V2 to the version 3.0 (V3) of the MCA portal, rendering V2 obsolete. To facilitate implementation of these forms in V3, the MCA has issued a set of guidelines for the stakeholders. To begin with, the ministry said that company e-filings on V2 will be disabled from June 18 this year. The notification also said that stakeholders are advised to ensure that no service request numbers (SRNs) are under pending payment or resubmission status.

**(Financial Express)**



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## FINANCIAL TERMINOLOGY

### DuPont Analysis

- ❖ The DuPont analysis is a framework for analyzing a company's fundamental performance. Developed decades ago at DuPont de Nemours, Inc., the DuPont analysis breaks out the different drivers of return on equity (ROE), allowing company managers and investors to focus on them individually and identify strengths and weaknesses.
- ❖ The DuPont analysis is a formula used to evaluate a company's financial performance based on its return on equity (ROE). By most accounts, it was devised in 1919 by a DuPont executive.
- ❖ A company's ROE is calculated by dividing its net income by shareholders' equity. It reveals how well a company utilizes capital from shareholders.
- ❖ A DuPont analysis goes a step further and allows an investor to determine which financial activities contribute the most to the changes in ROE. An investor can also use the DuPont analysis to compare the operational efficiency of two similar companies, while company managers can use it to identify strengths or weaknesses that should be addressed.
- ❖ Digital credit lines are particularly useful for businesses managing fluctuating cash flows or for individuals facing unexpected expenses.





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## RBI KEY RATES

Repo Rate: 6.00%

SDF: 5.75%

MSF & Bank Rate: 6.25%

CRR: 4.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

## FOREX (FBIL 1.30 PM)

INR / 1 USD : 85.4778

INR / 1 GBP : 115.1420

INR / 1 EUR : 96.9375

INR /100 JPY: 59.3600

## EQUITY MARKET

Sensex: 81451.01 (-182.01)

NIFTY: 24750.70 (-82.90)

Bnk NIFTY: 55749.70 (+203.65)

## Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
- ❖ Certificate Course on Credit Management of Banks
- ❖ Certificate Course on Treasury and International Banking
- ❖ Certificate Course on Investment Management
- ❖ Certificate Course on General Insurance.
- ❖ Advance Certificate Course on FinTech

For details please visit  
BFSIB portal of the ICMAI

## Publications by BFSI Board

- ❖ Aide Memoire on Infrastructure Financing.
- ❖ 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)

## TEAM BFSIB

Banking, Financial Services & Insurance Board

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