



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 July 2025



ECONOMY

India, US inch closer to mini trade deal as talks enter day 5 to bridge gaps: India and the United States are inching closer to finalising a mini trade deal, with negotiations intensifying ahead of a July 9 deadline, sources said. Talks have been extended again entering its fifth day now, and a fresh team of Indian negotiators, including subject-matter experts, may soon fly to Washington to draft the final contours of the agreement, if outstanding issues are resolved, sources added. “Talks have been extended, discussions are ongoing, the idea is to keep talking to ensure we get a trade deal. However, till it is done, it is not done,” one of the sources said, adding that India remains firm on not allowing sweeping access to US farm and dairy goods as well as genetically modified (GM) crops. The Indian team of negotiators led by commerce ministry’s special secretary Rajesh Agarwal are likely to stay in the US till a breakthrough is achieved.

(Moneycontrol)

GST collections rise 6.1% YoY to Rs 1.85 lakh crore in June; slowest pace of growth in four years: GST collections rose to Rs 1.85 lakh crore in June, recording a 6.1 percent increase from the year-ago period--the lowest in four years--according to data released by the government on July 1. Although collections remained above Rs 1.8 lakh crore, they were lower than the Rs 2 lakh crore mark that was breached in the first two months of FY26. In April, gross GST collections had hit an all-time high of Rs 2.37 lakh crore but had slowed to Rs 2.01 lakh crore in May, but the pace of growth at 16 percent from the year-ago period was the fastest in 31 months.

(Moneycontrol)

Cabinet approves incentive scheme to create 3.5 cr jobs in 2 years: Union Cabinet on Tuesday approved the Employment Linked Incentive (ELI) Scheme to support employment generation, enhance employability and social security across all sectors, with special focus on the manufacturing sector. Under the Scheme, while the first-time employees will get one month’s wage (up to ₹15,000/-), the employers will be given incentives for a period to two years for generating additional employment, with extended benefits for another two years for the manufacturing sector. The ELI Scheme was announced in the Union Budget 2024-25 as part of PM’s package of five



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schemes to facilitate employment, skilling and other opportunities for 4.1 crore youth with a total budget outlay of ₹2 lakh crore, a government statement said. With an outlay of ₹99,446 Crore, the ELI Scheme aims to incentivize the creation of more than 3.5 crore jobs in the country, over a period of 2 years. Out of these, 1.92 crore beneficiaries will be first timers, entering the workforce. The benefits of the Scheme would be applicable to jobs created between 01st August 2025 and 31st July, 2027.

(Business Line)

BANKING & FINANCE



Saraswat Co-op Bank to acquire fraud-hit New India Co-op Bank: Saraswat Co-operative Bank (SCB) has become a white knight for fraud-hit New India Co-operative Bank (NICB). The Reserve Bank of India (RBI) has given India's largest UCB in-principle approval to acquire NICB, whose networth has turned negative, under the RBI's voluntary amalgamation scheme for UCBs. As of March-end 2025, SCB and NICB had total business (deposits plus advances) of ₹91,800 crore and ₹3,500 crore, respectively. NICB got into a tight spot in February 2025 after misappropriation of funds aggregating ₹122 crore was detected during RBI inspection.

(Business Line)

DFS launches 3 months campaign for Saturation of Financial Inclusion Schemes at Gram Panchayat & Urban Local Body level in all districts from 01.07.2025 to 30.09.2025: A nationwide campaign has been launched by Department of Financial Services for the saturation of Financial Inclusion schemes at the Gram Panchayat & Urban Local Body level. The launch events were organized at 33 locations across the country. The campaign will run from 01.07.2025 to 30.09.2025 covering all 2.70 lakh GPs & ULBs in the country. During this period campaign will cover following activities: Re-KYC of all saving bank account holders (wherever due), Opening of bank accounts for unbanked adults under PMJDY, Enrolments under PMJJBY, PMSBY and APY, Awareness sessions on digital fraud prevention and ways to access unclaimed deposit & grievance redressal and Facility of updating nomination in accounts (wherever pending)

(PiB)

PNB waives penal charges for non-maintenance of minimum balance in savings accounts: Punjab National Bank (PNB) will waive penal charges for non-maintenance of minimum average balance (MAB) in all savings accounts, effective July 1, 2025. This initiative aims to support women, farmers, and low-income households by easing financial pressure and encouraging greater participation in formal banking. PNB reaffirms its commitment to inclusive banking and customer empowerment with this decision.

(Economic Times)



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HDFC Bank net banking app, UPI service down for several users: HDFC Bank's net banking and UPI services are reportedly down for several users. According to Downdetector, nearly 1,000 users have reported issues while using the lender's services. While the bank has not officially disclosed the cause of the outage, Downdetector shows 54% users reports related to online banking. 33% of users reported issues with mobile banking, while 13% said they are unable to check their account balance.

(Economic Times)

MSMEs new engine of credit growth for banks, outpace retail loans: MSME lending has surpassed retail as the primary driver of bank credit growth, experiencing a surge of 14.1% in FY 2024-25. This growth is supported by improved asset quality, with declining subprime borrowers and a reduced gross NPA ratio. Government credit guarantee schemes like CGFMU and ECLGS have further boosted credit flow to the sector, particularly benefiting vulnerable enterprises.

(Business Standard)

INDUSTRY OUTLOOK



Asian Paints faces antitrust heat for alleged unfair practices in market: The Competition Commission of India (CCI) has initiated an investigation into Asian Paints Ltd regarding allegations of abusing its dominant position in the decorative paints market. This move comes after Grasim Industries, operating through Birla Opus Paints, alleged that Asian Paints has been employing unfair practices to maintain its market dominance. The CCI's decision to probe is based on claims that Asian Paints offered special incentives to dealers to secure sales exclusivity, thereby stifling competition. Grasim Industries, contends that Asian Paints' practices include offering additional discounts and incentives, such as foreign travel, to dealers who agree to exclusive sales agreements. This situation reportedly places dealers selling competing products at a disadvantage, as they face reduced credit limits and higher sales targets.

(Business Today)

Nod to Rs 1 lakh cr scheme to boost private-sector R&D & innovation: The Cabinet on Tuesday approved Rs 1 lakh crore scheme to support research & development and innovation (RDI) in sunrise domains and finance-technology projects. The intent also is to facilitate acquisition of technology and set up deep-tech fund of funds. The funds will be allocated from the Union budget as a 50-year interest-free loan to the the Anusandhan National Research Foundation (ANRF), which will be leveraged for multiplier effect. The scheme is expected to run for several years, and play a key



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catalytic role for augmenting domestic R&D, which is crucial for technology assimilation for the manufacturing industry and improving overall economic productivity.

(Financial Express)

Notice to ICICI Bank for excluding visually impaired from digital banking: The Delhi High Court (HC) has issued a notice to the ICICI Bank in relation to a plea alleging that the bank's website and application are inaccessible to visually impaired people, reported Bar and Bench. The petitioners allege that the ICICI's Mobile Pay app, its website, and InstaBIZ app fall short of accessibility standards, making it difficult for visually impaired people to independently carry out essential financial activities.

(Business Standard)



REGULATION & DEVELOPMENT

MPEDA Organises First National Skill Olympiad to Promote Seafood Value Addition:

The Marine Products Export Development Authority (MPEDA) organised the grand finale of the inaugural National Skill Olympiad on seafood value addition today at the Seafood Expo Bharat in Chennai. MPEDA is a statutory organisation under administrative control of Department of Commerce. The Olympiad, a pioneering initiative by MPEDA, was launched to promote value addition in seafood exports and create a skilled workforce in the sector. In a closely contested final round, Thanseer K R of Abad Foods Malipuram, Kerala, was adjudged the winner. The awards were announced by Member of Parliament and Authority Member of MPEDA, Shri Hibi George Eden, and Chairman, MPEDA Shri D. V. Swamy.

(PiB)

RBI appoints Kesavan Ramachandran as new Executive Director: Reserve Bank of India has announced the appointment of Shri Kesavan Ramachandran as the new Executive Director. He will assume the role on July 1, 2025. Ramachandran previously served as Principal Chief General Manager in Risk Monitoring Department. He brings over three decades of experience in banking supervision and currency management.

(Economic Times)

RBI Governor slated to brief parliamentary finance panel's review of IBC: As part of its review of the working of the Insolvency and Bankruptcy Code (IBC), the Parliamentary Standing Committee on Finance has called RBI Governor Sanjay Malhotra to appear before it on 10 July. At its previous two meetings on the subject, held on 28 and 29 May, committee members had flagged “ambiguities” in the IBC. The Supreme Court judgment quashing JSW Steel’s resolution plan for



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Bhushan Power and Steel Ltd (BPSL) had also featured in the committee's discussions. The committee's third meeting on the IBC will take place on 10 July. The committee will listen to the "oral evidence" of the RBI Governor on the subject of "review of working of the Insolvency and Bankruptcy Code (IBC) and emerging issues". Earlier on the same day, representatives of SBI, Bank of Baroda, Indian Bank, and IOB will also appear before the committee.

(Business Standard)



FINANCIAL TERMINOLOGY

DIVIDEND SIGNALLING

- ❖ This is a theory which asserts that announcement of increased dividend payments by a company gives strong signals about the bright future prospects of the company.
- ❖ An announcement of an increase in dividend payout is taken very positively in the market and helps building a very positive image of the company regarding the growth prospects and stability in the future.
- ❖ Generally, dividend signaling is done by the company when it changes the amount of dividend to be paid to shareholders.



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RBI KEY RATES

Repo Rate: 5.50%

SDF: 5.25%

MSF & Bank Rate: 5.75%

CRR: 4.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 85.6179

INR / 1 GBP : 117.6476

INR / 1 EUR : 100.8476

INR /100 JPY: 59.5800

EQUITY MARKET

Sensex: 83697.29 (+90.83)

NIFTY: 25541.80 (+24.75)

Bnk NIFTY: 57459.45 (+146.70)

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- ❖ 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)

TEAM BFSIB

Banking, Financial Services & Insurance Board
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