



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

26 June 2025



ECONOMY

Markets surge 0.8% as Israel-Iran ceasefire boosts investor confidence: Markets staged a strong recovery on Wednesday, with both Sensex and Nifty extending their winning streak for the second consecutive session as investor sentiment received a significant boost from the Israel-Iran ceasefire, which helped alleviate geopolitical concerns that had been weighing on global markets. The Sensex ended 700.40 points or 0.85 per cent higher at 82,755.51, while the Nifty 50 settled at 25,244.75, up by 200.40 points or 0.8 per cent. The benchmark indices opened on a strong note with the Sensex starting at 82,448.80 against its previous close of 82,055.11, and the Nifty opening at 25,150.35 compared to its previous close of 25,044.35.

(Business Line)

Call money market timing to be extended by 2 hours: RBI: RBI has decided to extend the timings of the call money market by two hours till 7 pm with effect from July 1, 2025. Accordingly, the call money market will operate from 9 am to 7 pm as against the current 9 am to 5 pm. The call money market is exclusively accessible to banks and standalone primary dealers (SPDs) - participants with access to the liquidity adjustment facilities of the Reserve Bank.

(Business Line)

RBI bulletin: India's economic resilience shines despite global headwinds: The Reserve Bank of India (RBI) released its monthly bulletin on Wednesday wherein it maintained that India's economy remains resilient despite a state of flux in the global economy due to the twin shocks from trade and geopolitical tensions. "In this state of elevated global uncertainty, various high-frequency indicators for May 2025 point towards resilient economic activity in India across the industrial and services sectors," the RBI said in its 'State of the Economy' article. Earlier this month, the central bank had cut its key policy rate by a larger-than-expected 50 basis points and slashed the reserve ratio for banks as low inflation gave it room to focus on supporting growth amid volatile global conditions. The central bank said that the financial conditions remained conducive to facilitate an efficient transmission of rate cuts to the credit market, the central bank said in the bulletin.

(Financial Express)



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BANKING & FINANCE



Citigroup, HSBC, Morgan Stanley, Kotak and I-Sec to lead SBI's Rs 25,000-crore QIP:

Citigroup, HSBC, Morgan Stanley, Kotak Investment Banking and ICICI Securities are said to be the lead contenders to roll out the upcoming fund raise of India's largest bank, State Bank of India. Sources close to the development say the bidding process to shortlist investment bankers for SBI's qualified institutional placement (QIP), which is likely to be rolled out in the coming months saw massive participation, particularly from foreign players. "The number of global I-bankers who bid for the QIP far outnumbered the domestic players," said an investment banker who didn't want to be named. Citigroup, HSBC and Morgan Stanley are said to have emerged as the preferred bankers to run the process. Among domestic bankers, it is understood that Kotak Investment Banking and ICICI Securities may have made it to the final list of bankers to manage the issue.

(Moneycontrol)

LIC, IDBI stake sales expected to help Centre surpass FY26 disinvestment target: The Centre's disinvestment drive for FY26 is expected to be anchored by two major transactions – a 3 percent stake sale in Life Insurance Corporation of India (LIC) and the strategic disinvestment of IDBI Bank – which together could fetch up to Rs 80,000 crore, significantly exceeding the Union Budget 2025's target of Rs 47,000 crore for miscellaneous capital receipts. "At least this year, DIPAM will complete the IDBI strategic sale. The receipts will come from that in this year. That much is certain. There is no need to worry about receipts. It is a big amount. It will be Rs 40,000–50,000 crore," a senior government official told Moneycontrol. The official added that this amount alone would be sufficient to meet the Budget target, which now includes both disinvestment and asset monetisation proceeds under the miscellaneous capital receipts head.

(Moneycontrol)

Margins of banks to moderate in FY25 and FY26, to rebound in FY27: Report: Declining interest rates are not favourable for banks' net interest margins in the short term. According to a report by PhillipCapital, the net interest margins (NIM) of banks are going to moderate in FY25 and FY26, before rebounding in FY27. The report added that a 100 basis point cut in the repo rate and substantial liquidity in the system are conducive to deposit growth at cost-competitive rates. The Reserve Bank of India (RBI) has reduced the repo rate by 100 basis points since February 2025. The report highlights that Banks such as ICICI Bank, DCB Bank, AU SFB, and Axis Bank are expected to experience minimal impact on NIM compression, while others like HDFC Bank and SBI may see a



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moderate impact. Conversely, IIB and Bandhan Bank are projected to face the highest impact because of shifts in their loan mix. However, bank asset quality continues its upward trajectory, with stressed assets steadily declining across both private and public sector banks. As of FY25, credit costs are below the long-term average, reflecting improved underwriting standards and effective asset resolution.

(Business Line)

Govt demotes Union Bank of India ED Pankaj Dwivedi to general manager: The government has demoted Pankaj Dwivedi from Executive Director of Union Bank of India to General Manager, reversing his March 2024 appointment. This decision follows a pending case in the Delhi High Court questioning the appointment's validity due to the absence of vigilance clearance. A public interest litigation challenged Dwivedi's appointment, prompting the court to issue notices to relevant authorities.

(Economic Times)

INDUSTRY OUTLOOK



RIL is building one of world's largest manufacturing ecosystems for green energy, says Mukesh Ambani: Reliance Industries Ltd Chairman Mukesh Ambani said RIL is building one of the world's largest manufacturing ecosystem for green energy. "We are building one of the world's largest manufacturing ecosystems for green and clean energy. It covers solar, batteries, hydrogen, bio-energy and much more. This is our contribution to saving planet Earth from the looming climate crisis," Ambani said in an interview with McKinsey's Gautam Kumra. Ambani cited RIL's emphasis on building "businesses of the future", be it polyester or 4G.

(Moneycontrol)

JSW Steel files review petition on SC verdict in Bhushan Power case: JSW Steel filed a petition on Wednesday seeking a review of the Supreme Court (SC) order rejecting its resolution plan for debt-laden Bhushan Power and Steel (BPSL). In a filing with the stock exchanges, the company said it filed a review petition before the Supreme Court on June 25, related to the judgment dated May 2. Lenders of BPSL, including State Bank of India and Punjab National Bank, have already filed review petitions against the judgment. In its May 2 ruling, the SC rejected JSW Steel's resolution plan for BPSL and ordered its liquidation.

(Business Standard)

Reliance Defence bags export order worth ₹600 cr from Germany's Rheinmetall: Reliance Defence, a defence manufacturer promoted by Anil Ambani's Reliance Infrastructure, has



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secured an export order worth Rs 600 crore from Rheinmetall Waffe Munition GmbH, a German defence and ammunition maker. The order is one of the largest in the high-tech ammunition domain to date, R-Infra claimed. Reliance Defence recently announced a partnership with Rheinmetall to supply explosives and propellants for ammunition to the latter. Reliance Defence aims to be a reliable partner in the global defence and munitions supply chain, with a particular focus on Europe.

(Business Standard)



REGULATION & DEVELOPMENT

CBSE Class 10 Board Exams to Be Held Twice a Year from 2026; First Attempt Mandatory, Second Optional: The Central Board of Secondary Education (CBSE) has announced a major change in the Class 10 board examination structure. Beginning in 2026, students will have the opportunity to appear for the exams twice in a single academic year. The first exam will be compulsory for all students and held in February, while the second, scheduled for May, will be optional and available to those who wish to improve their scores or need to reappear in specific subjects.

(Moneycontrol)

EPFO to bring PF to fingertips soon with ATM and UPI integration: The Employees' Provident Fund Organisation (EPFO) is working on a significant change that could allow its members to withdraw provident fund (PF) money directly using ATMs and Unified Payments Interface (UPI). This initiative aims to make access to retirement savings quicker and more convenient, aligning with ongoing efforts to simplify the claim process. The labour ministry is reportedly spearheading this project, which would enable real-time withdrawals akin to accessing funds in regular savings accounts.

(Moneycontrol)

FinMin may restore dividend deductions for 22% corporate tax regime: The Finance Ministry is likely to amend the Income Tax Bill 2025 to restore the deductions for inter-corporate dividends for companies opting for the 22 per cent concessional tax regime. The move is linked to stakeholders raising concerns about the omission leading to double taxation. "This appears to be an inadvertent omission in the new Income Tax Bill. We will address and rectify it as taxing the same income twice goes against established principles of fair taxation," a finance ministry official said.

(Business Standard)



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FINANCIAL TERMINOLOGY

SOFT CURRENCY

- ❖ Soft currency is a currency which is hyper sensitive and fluctuates frequently. Such currencies react very sharply to the political or the economic situation of a country.
- ❖ It is also known as weak currency due to its unstable nature. Such currencies mostly exist in developing countries with relatively unstable governments. Soft currencies cause high volatility in exchange rates as well, making them undesirable by foreign exchange dealers. These currencies are the least preferred for international trade or holding reserves.
- ❖ Zimbabwean dollar is a classic example of soft currency.



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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 : 85.8732

INR / 1 GBP : 117.0102

INR / 1 EUR : 99.7646

INR /100 JPY: 59.1600

EQUITY MARKET

Sensex: 82755.51 (+700.40)

NIFTY: 25244.75 (+200.40)

Bnk NIFTY: 56621.15 (+159.25)

Courses conducted by BFSI Board

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- ❖ 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
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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 2nd Edition)

TEAM BFSIB

Banking, Financial Services & Insurance Board

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