



# 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**

**29 May 2025**



### **ECONOMY**

**India's dependence on China for permanent magnets is growing, so is the world's:** India has become increasingly dependent on China for permanent magnets, critical for a range of products from appliances, consumer electronics to automobiles, over the past decade, a point of concern because of the tense ties between the two countries. A Moneycontrol analysis shows that this reliance is not unique to India. Several major economies' dependence on China has deepened during the same period, as the country expanded its dominance in the global magnet trade. China is the world's largest producer of permanent magnets. Some estimates suggest that it produces over 80 percent of the world's rare earth magnets. China's share of global exports of permanent magnets made from metal rose from 49.6 percent in 2012 to 63.5 percent in 2024. For non-metal-based permanent magnets, its global share increased from 50.8 percent to 59.1 percent during the period.

**(Moneycontrol)**

**Cabinet raises paddy MSP by Rs 69 per quintal to Rs 2,369 for 2025-26 Kharif season:**

The Narendra Modi Cabinet has approved a hike in paddy Minimum Support Price (MSP) by Rs 69 per quintal, raising the MSP to Rs 2,369 for 2025-26 Kharif season. The Cabinet also approved continuation of Modified Interest Subvention Scheme (MISS) for FY 2025-26 with existing 1.5 percent Interest Subvention (IS), and approved required fund arrangements. Informing this after a Cabinet meeting on Wednesday, Union Minister Ashwini Vaishnaw said, "A major decision has been taken for farmers. In last 10-11 years, massive increment in MSP has been done for Kharif crops. In this continuation, MSP has been approved by the Cabinet for the Kharif marketing season 2025-26. The total amount is estimated to be around Rs 2,07,000 Crores. For every crop, cost plus 50 percent has been taken into consideration."

**(Moneycontrol)**

**India's industrial production dips to an 8-month low of 2.7% in April:** India's industrial production declined to an eight-month low of 2.7 percent in April compared with a revised 3.9 percent in the previous month, as electricity and mining dragged down growth, according to data released by



# 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

the government on May 28. A high base and uncertainty fuelled by Trump tariffs had pushed India's core sector growth down to an eight-month low of 0.5 percent in April from 4.6 percent in the previous month. "While the IIP growth expectedly eased to 2.7% in April 2025 from the upward revised 3.9% in March 2025, the extent of the dip was much lower than expectations given the slump in the core sector growth, suggesting that the non-core portion of the IIP witnessed a relatively healthier growth in the month," said Aditi Nayar, chief economist, Icra.

**(Moneycontrol)**

## BANKING & FINANCE



**Public sector banks drive record profits in India for FY25 amidst asset quality improvements:** Public sector lenders were at the vanguard of driving FY25 banking profits in India to the highest ever in history, as earnings from lending, treasury gains, and lower bad-loan provisions saw the industry's combined bottom-line soar nearly 14 times in a decade to Rs 3.71 lakh crore. Last fiscal year, public sector banks — once weighed down by legacy stress and bad loans — reported a robust 26% rise in profits to `1.83 lakh crore, narrowing the gap with private banks, which saw a relatively circumspect 7% increase to Rs 1.87 lakh crore, data compiled by ET showed. State Bank of India, the largest government asset by market capitalisation, posted the highest net profit of `70,900 crore, followed by private lender HDFC Bank— at Rs 67,347 crore. ICICI Bank's net profit was Rs 47,227 crore in FY25.

**(Economic Times)**

**Irdai raises concerns over tweaks to show solvency ratio:** The Insurance Regulatory and Development Authority of India (Irdai) has expressed concerns about a few life insurers allegedly tweaking actuarial assumptions to keep solvency ratios above the 150% regulatory minimum, people familiar with the matter said. The regulator issued a stern warning to CEOs and appointed actuaries earlier where they raised concerns over undue pressure from company managements to revise assumptions to present stronger capital positions. The regulator is pushing for tighter oversight during risk-based inspections, which began late 2024 with one insurer as part of the quantitative impact study, and is now rolling out across the industry to assess the impact of risk-based framework's impact on solvency. These inspections assess whether assumptions align with historical experience.

**(Economic Times)**



# 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

**Listed banks post ₹94,228 crore profit in Q4; PSBs lead with 13% rise:** The listed domestic banks have reported a net profit of ₹94,228 crore for the January-March quarter of the financial year 2024-25 (Q4FY25), a growth of 4.4 per cent year-on-year (Y-o-Y), while sequentially it grew by 3.7 per cent, according to data by Capitaline. The rise in profit is driven by public sector banks, with 12 lenders reporting cumulative profit of ₹48,370 crore in Q4, up 12.9 per cent Y-o-Y. Twenty private sector banks reported a total net profit of ₹45,858 crore, down 3.3 per cent from the same period of the previous year.

**(Business Standard)**

## INDUSTRY OUTLOOK



**US trade court blocks Trump's emergency tariffs, citing overreach:** A federal trade court on Wednesday blocked US President Donald Trump from imposing sweeping tariffs on imports under an emergency-powers law. The ruling from a three-judge panel at the New York-based Court of International Trade came after several lawsuits arguing Trump has exceeded his authority, left US trade policy dependent on his whims and unleashed economic chaos. "The worldwide and retaliatory tariff orders exceed any authority granted to the president by IEEPA to regulate importation by means of tariffs," the court wrote, referring to the 1977 International Emergency Economic Powers Act. The White House did not immediately respond to a message seeking comment. The Trump administration is expected to appeal.

**(Moneycontrol)**

**IndiGo to become first airline to take off from Navi Mumbai airport:** IndiGo will be the first airline to commence commercial flight operations from Adani Group-owned Navi Mumbai International Airport, a joint statement said Wednesday. Initially, the airline will have 18 daily departures (36 air traffic movements) to over 15 cities from day one, increasing it to 79 daily departures (158 ATMs), including 14 international departures by the beginning of November 2025, and further scale up and double by November 2026. "This partnership will fuel aviation growth in the country, making it a key driver for India to become the third-largest aviation economy by 2030," the joint statement read.

**(Business Line)**

**'US remittance tax, tariffs to cost India billions in lost investments':** A proposed 3.5 per cent US tax on remittances, combined with 10 per cent reciprocal tariffs on imports, could significantly impact India's economy, according to analyses by the Centre for WTO Studies. The measures are projected to reduce remittance inflows by billions of dollars and amplify trade costs,



# 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

disproportionately affecting Indian households reliant on overseas earnings. “The policy move by the US could have multiplying effects on the economy, including tightening household budgets in India, slowing local consumption, reduced returns from physical and financial assets due to lower investment, and weakening one of the country's most resilient sources of foreign currency.

**(Business Standard)**



## REGULATION & DEVELOPMENT

**Lokpal gives clean chit to former SEBI chief Madhabi Puri Buch; no material to order investigation, it says:** In a major relief to former SEBI chairperson Madhabi Puri Buch, Lokpal has disposed of complaints against her in the Hindenburg matter. The anti-corruption ombudsman has further said that there is no material evidence to order an investigation against Buch. "... We have concluded that the allegations in the Complaint(s) are more on presumptions and assumptions and not supported by any verifiable material and do not attract the ingredients of the offences in Part III of the Act of 1988, so as to direct and investigation therefor... accordingly, these complaints are disposed of," stated the order passed by Lokpal.

**(Moneycontrol)**

**Cabinet approves continuation of Modified Interest Subvention Scheme (MISS) for FY 2025-26 with existing 1.5% Interest Subvention (IS):** The Union Cabinet approved the continuation of the Interest Subvention (IS) component under the Modified Interest Subvention Scheme (MISS) for the financial year 2025-26. Under this scheme, Farmers receives short-term loans of up to Rs.3 lakh through Kisan Credit Cards (KCC) at a subsidized interest rate of 7%, with 1.5% interest subvention provided to eligible lending institutions. Additionally, farmers repaying loans promptly are eligible for an incentive of up to 3% as Prompt Repayment Incentive (PRI) effectively reducing their interest rate on KCC loans to 4%. For loans taken exclusively for animal husbandry or fisheries, the interest benefit is applicable up to Rs.2 lakh. There are more than 7.75 crores of KCC accounts in the country. Institutional credit disbursement through KCC increased from Rs.4.26 lakh crore in 2014 to Rs. 10.05 lakh crore by December 2024. Overall agricultural credit flow also rose from Rs.7.3 lakh crore in FY 2013-14 to Rs.25.49 lakh crore in FY 2023-24.

**(PiB)**

**IBBI allows RPs to invite resolution plans for individual asset sales:** In a move aimed at resolving insolvencies of large corporate debtors and conglomerates, the Insolvency and Bankruptcy Board of India (IBBI) has allowed resolution professionals to invite resolution plans not only for the company as a whole but also for the sale of one or more of its assets. The latest amendments to the



# 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

IBBI regulations for the insolvency of corporate debtors state: “The resolution professional may, with the approval of the committee, invite expression of interest for submission of resolution plans for the corporate debtor as a whole, or for sale of one or more of the assets of the corporate debtor, or for both.”

**(Business Standard)**



## FINANCIAL TERMINOLOGY

### ALGO TRADING

- ❖ Algorithmic trading, or algo trading, is a method of trading that uses computer programs to automatically make and execute trades. It uses predefined rules and strategies to place trades at optimal times.
- ❖ A computer program is given a set of rules to follow. When the conditions are met, the program places orders at a speed and frequency that's impossible for a human trader.
- ❖ Algo trading can be more efficient and faster than human trading. It can help identify profitable opportunities, such as price differentials between markets.





# 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

## 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 : 85.6873

INR / 1 GBP : 115.4733

INR / 1 EUR : 96.9072

INR /100 JPY: 59.3700

## EQUITY MARKET

Sensex: 81312.32 (-239.31)

NIFTY: 24752.45 (-73.35)

Bnk NIFTY: 55417.00 (+64.20)

## 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

The Institute of Cost Accountants of India (ICMAI)

**Disclaimer:** Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICMAI takes no responsibility for the accuracy and reliability of information published in the Daily News Digest. No part of this Daily News Digest may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise without the permission of BFSIB of ICMAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.