

Banking, Economy,
and Business

Capsule

**IBPS PO &
SBI PO Mains
2025**





Banking, Economy, Business Capsule for IBPS PO and SBI PO Mains 2025

Banking Current Affairs of August 2025

S. No.	Bank Name	Purpose
1.	AU Small Finance Bank	<ul style="list-style-type: none"> AU Small Finance Bank (AU) has made history by becoming the first Small Finance Bank in India to receive in-principle approval from the Reserve Bank of India (RBI) to transition into a Universal Bank. This landmark achievement highlights AU's strong business model, sound governance, and unwavering commitment to financial inclusion. The approval validates AU's growth into a full-service bank offering a wide range of retail, business, and digital banking solutions.
2.	Bank of Baroda	<ul style="list-style-type: none"> Bank of Baroda has launched global UPI features on its bob ₹ Pay app, enabling cross-border payments for Indian and NRI customers. Key features include UPI Global Acceptance in eight countries (Mauritius, Singapore, UAE, USA, France, Sri Lanka, Nepal, Bhutan), real-time inward remittances from Singapore, and UPI access for NRIs with NRE/NRO accounts. The app supports seamless international digital transactions with a limit of ₹1,00,000 per transaction, enhancing convenience and flexibility for users worldwide.
3.	ICICI Bank	<ul style="list-style-type: none"> ICICI Bank has reduced its minimum average balance (MAB) requirement for new savings accounts in urban areas from Rs 50,000 to Rs 15,000 following strong customer backlash. In semi-urban areas, the MAB was cut from Rs 25,000 to Rs 7,500, while for existing customers in rural and semi-urban regions, it remains Rs 5,000. This revision comes shortly after ICICI initially raised the MAB sharply, contrasting with other banks like SBI, which scrapped minimum balance rules, and many others maintaining lower thresholds between Rs 2,000 and Rs 10,000.
4.	ICICI Bank	<ul style="list-style-type: none"> ICICI Bank has reported the lowest employee attrition rate among major private sector banks for the past three fiscal years, dropping to 18% in FY25 from 24.5% in FY24 and 30.9% in FY23. This strong employee retention is credited to competitive remuneration and a better working environment. Other private peers like HDFC Bank (22.6%), Axis Bank (25.5%), and Kotak Mahindra Bank (33.3%) also showed declining attrition rates, reflecting a broader industry trend due to a stabilized job market and reduced recruitment post-pandemic.
5.	IDFC FIRST Bank	<ul style="list-style-type: none"> IDFC FIRST Bank has launched RemitFIRST2India, a zero-fee digital remittance platform designed for Non-Resident Indians (NRIs) to send money to India swiftly and securely. In partnership with SingX, the platform supports transfers from Singapore and Hong Kong with plans for expansion, offering live transaction tracking, competitive forex rates, and a seamless, paperless experience. New users also receive extra forex margin benefits on their first three transfers.
6.	Axis Bank	<ul style="list-style-type: none"> Axis Bank has launched the 'Lock FD' feature to protect customers from digital banking fraud by preventing premature closure of fixed deposits via online channels. Once activated, customers can only close their fixed deposits by visiting a branch in person with ID verification, blocking any digital closure attempts. This new security measure adds a crucial layer of protection against phishing, malware, and hacking risks, ensuring safer management of term deposits.

RBI News

Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
1.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has approved the merger of New India Co-operative Bank with Saraswat Bank, effective August 4, 2025. Saraswat Bank will assume all assets and liabilities of New India Co-operative Bank, and its customers will enjoy full protection of their interests. The move, endorsed by the shareholders of both banks, strengthens the cooperative banking framework and expands the service reach for customers.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
2.	Reserve Bank of India	<ul style="list-style-type: none"> The RBI's decision to settle a \$5 billion dollar-rupee swap without a rollover highlights the central bank's confidence in India's strong rupee liquidity position, which currently stands at over ₹3.60 lakh crore. By selling dollars and absorbing rupees, the RBI is ensuring liquidity remains stable without disturbing the money markets. Experts believe this is a sound move since the banking system has adequate cash flow, minimizing the risk of market disruptions.
3.	Reserve Bank of India	<ul style="list-style-type: none"> The recent RBI Survey of Professional Forecasters projects that India's merchandise imports will grow by 2.5% in 2025-26, more than twice the 1.2% growth expected in exports, leading to a widening trade imbalance and a current account deficit of 0.8% of GDP, rising slightly to 0.9% in 2026-27. Despite this, India's economy is forecast to grow steadily, with GDP expanding by 6.4% in 2025-26 and 6.7% the following year. Private consumption and investments are also expected to grow moderately, while inflation is projected to remain manageable, with headline CPI rising from 3.1% to 4.4% over the same period.
4.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has allowed foreign entities holding Special Rupee Vostro Accounts (SRVAs) to invest their surplus rupee balances in central government securities, including treasury bills. This move, part of the updated Master Direction on Non-resident Investment in Debt Instruments, enables unused rupee funds from international trade settlements to be directed into secure Indian debt instruments, enhancing investment flexibility for non-residents.
5.	Reserve Bank of India	<ul style="list-style-type: none"> The RBI has introduced three key initiatives to enhance banking convenience and financial inclusion: (1) doorstep re-KYC camps at the panchayat level from July to September to help update customer details and provide financial services like micro-insurance and pension schemes; (2) a simplified claims process for deceased customers, easing fund access for legal heirs and nominees; and (3) upgraded features on the Retail Direct platform to improve user experience.

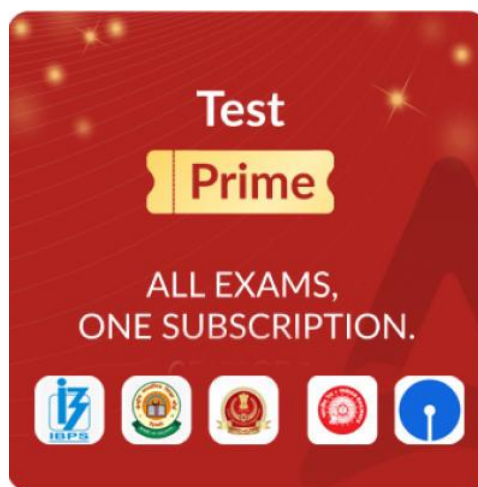
Banking Current Affairs of July 2025

Bank Name	Purpose
Karnataka Bank	<ul style="list-style-type: none"> Karnataka Bank witnessed a leadership transition as both its Managing Director & CEO and Executive Director resigned citing personal reasons and relocation issues. The bank quickly formed a search committee and appointed a Chief Operating Officer (COO) to maintain operational stability. It addressed investor concerns over financial audits and reassured that it remains well-capitalized and committed to its transformation journey. This change highlights the importance of succession planning, regulatory compliance, and strategic governance in the Indian banking sector.
State Bank of India	<ul style="list-style-type: none"> The State Bank of India (SBI) has taken a major step towards supporting India's clean energy transition by launching a Solar Rooftop Programme that will solarize 4 million homes by FY27. This aligns with India's Net Zero 2070 targets and showcases SBI's expanded role beyond banking — from agricultural support and CSR outreach to sustainable infrastructure development. With over ₹610 crore in social investments, a vision for green technology finance, and a deep commitment to environmental sustainability.
State Bank of India (SBI),	<ul style="list-style-type: none"> The State Bank of India (SBI), India's largest bank, has launched two Global Trade Finance Centres—one in Kolkata and the other in Hyderabad—to boost import and export services. These centres aim to support businesses by making inland and cross-border trade faster and more efficient. With over 800 trained staff, the centres will use digital tools like AI, ML, blockchain, and document digitization to replace traditional paper-based processes. This shift will offer quicker, safer, and more reliable services, giving customers a better experience with reduced delays and improved accuracy.





Bank Name	Purpose
Indian Bank and Punjab National Bank (PNB)	<ul style="list-style-type: none"> Indian Bank and Punjab National Bank (PNB) have waived minimum balance penalties for savings account holders starting from July 7 and July 1, 2025, respectively. Indian Bank also reduced its one-year lending rate to 9%, offering relief to loan borrowers. These steps are aimed at boosting financial inclusion and making banking easier, cheaper, and more accessible for all—especially students, senior citizens, farmers, and low-income families.
NSDL Payments Bank Limited	<ul style="list-style-type: none"> NSDL Payments Bank Limited was added to the Second Schedule of the RBI Act, 1934, making it a scheduled bank. This status enables the bank to access RBI facilities, gain clearinghouse membership, and enhances its regulatory credibility. Specializing in digital savings and remittance services for underserved populations, NSDL Payments Bank's inclusion reflects its financial health, regulatory compliance, and alignment with RBI's public interest criteria.
State Bank of India (SBI)	<ul style="list-style-type: none"> India's largest lender, the State Bank of India (SBI), executed a ₹25,000 crore QIP, which was oversubscribed 4.5 times, with LIC and other domestic investors receiving two-thirds of the allotment, and foreign investors accounting for 64.3% of demand. The capital raised will boost SBI's CET-1 ratio to 11.50%, enabling credit growth in retail, MSME, and corporate sectors. The QIP underscores strong investor confidence, the robustness of India's banking sector, and the country's economic resilience.
Fino Payments Bank	<ul style="list-style-type: none"> Fino Payments Bank has launched GATI, a zero-balance digital savings account, aimed at boosting UPI transactions in West Bengal. Customers can open accounts instantly at any of 40301 merchant points, with an affordable fee structure and eKYC-based onboarding. The initiative promotes financial inclusion, targets rural and semi-urban populations, and supports features like auto UPI ID, FinoPay app, and access to insurance, digital gold, and loans. GATI caters to the digitally curious segment, especially the youth, women, and senior citizens.
State Bank of India (SBI)	<ul style="list-style-type: none"> State Bank of India (SBI) has been awarded the title of World's Best Consumer Bank for 2025 by Global Finance magazine, based on global expert analysis. The award acknowledges SBI's digital innovation, vernacular voice banking, omni-channel engagement, and AI-based personalization, particularly benefiting rural and semi-urban customers. This achievement showcases SBI's role in shaping the future of consumer banking and enhancing India's financial reputation globally.





RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India has rolled out new security measures for the Aadhaar Enabled Payment System (AePS) to curb increasing cases of fraud, especially in rural areas. Effective from January 1, 2026, the revised framework mandates strict KYC at onboarding, reactivation checks, a one-operator-one-bank policy, and continuous monitoring of transaction patterns by acquiring banks. These steps aim to enhance the security, traceability, and accountability of AePS operators and are legally backed by the Payment and Settlement Systems Act, 2007.
2.	Reserve Bank of India	<ul style="list-style-type: none"> The RBI's sectoral credit report for May 30, 2025, shows a slowdown in bank credit growth across key segments. Industrial credit rose by only 4.9%, while personal loans, services sector lending, and NBFC loans also experienced declines. However, medium enterprises and renewable energy sectors showed strong growth. This trend underscores cautious lending practices, reduced investment appetite, and changing sectoral dynamics in the Indian economy.
3.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India has announced that, effective January 1, 2026, prepayment penalties will no longer be applicable on floating rate loans availed by micro and small enterprises (MSEs). This move aims to support financial inclusion, credit affordability, and lender accountability by eliminating unjust clauses and promoting borrower freedom. It builds on RBI's continuing efforts to streamline loan frameworks and promote healthy competition in India's credit landscape.
4.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India has announced that, effective January 1, 2026, prepayment penalties will no longer be applicable on floating rate loans availed by micro and small enterprises (MSEs). This move aims to support financial inclusion, credit affordability, and lender accountability by eliminating unjust clauses and promoting borrower freedom. It builds on RBI's continuing efforts to streamline loan frameworks and promote healthy competition in India's credit landscape.
5.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has taken a critical step in advancing digital security by mandating all financial institutions to adopt the Financial Fraud Risk Indicator (FRI) developed by the Department of Telecommunications (DoT). This AI-supported system allows real-time detection of high-risk mobile numbers linked to cybercrime and financial fraud, drawing data from platforms like the NCRP and Chakshu. With major institutions like PhonePe, HDFC Bank, and Paytm already on board.
6.	Reserve Bank of India	<ul style="list-style-type: none"> On June 30, 2025, the Reserve Bank of India (RBI) directed all banks—including NBFCs and UPI platforms—to start using the Financial Fraud Risk Indicator (FRI), made by the Department of Telecommunications (DoT). The FRI detects fraud-prone mobile numbers using data from platforms like NCRP, Chakshu, and bank reports. Banks like HDFC, ICICI, and apps like PhonePe and Paytm are already using it. This step will strengthen India's digital banking safety, offer real-time protection, and help stop cyber-enabled financial frauds.
7.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) said on July 1, 2025, that ₹2000 notes worth ₹6,099 crore are still in circulation, even though it announced their withdrawal on May 19, 2023. Out of the original ₹3.56 lakh crore, 98.29% has been returned. People can still deposit or send these notes through RBI offices or post offices. The ₹2000 note is still legal but is being gradually removed from use.
8.	RBI's e-Kuber system	<ul style="list-style-type: none"> From July 16, 2025, all government payments above ₹75 crore must be made through the RBI's e-Kuber system to improve transparency, speed, and real-time tracking. The earlier limit of ₹500 crore has now been lowered, with some transactions needing e-Kuber from ₹100 crore onward. The move will shorten the time for account reconciliation to just 24 hours and could further reduce the payment limit to ₹50 crore next year, making public finance systems more efficient and accountable.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
9.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) will hold an auction on July 11, 2025, to sell two government bonds worth ₹25,000 crore through its e-Kuber platform in Mumbai. One bond is new, and the other is a re-issue of an older one. These dated securities will pay interest every six months and are used to help the government raise money. The auction will follow a multiple-price method, and both big and small investors can take part. The settlement will be done on July 14, 2025.
10.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> Reserve Bank of India (RBI) imposed monetary penalties on HDFC Bank and Shriram Finance for violating regulatory norms. HDFC Bank was fined ₹4.88 lakh for issues involving foreign investment in term loans, while Shriram Finance was penalised ₹2.70 lakh for digital lending rule violations discovered during a routine inspection. The action highlights RBI's commitment to ensuring that all financial entities follow proper rules and maintain transparency in their operations.
11.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The RBI Financial Inclusion Index (FY25) improved to 67.0 from 64.2 in the previous year. This growth across Access, Usage, and Quality sub-indices reflects the success of government schemes, digital financial platforms, and financial literacy programs. It is a comprehensive tool that measures inclusion in banking, pensions, insurance, postal services, and more, helping shape India's inclusive financial ecosystem.
12.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The RBI held a surprise ₹50,000 crore VRR auction on July 23, 2025, accepting bids worth ₹50,001 crore at a 5.58% average rate, addressing tight liquidity caused by GST outflows and VRRR locks. This reflects RBI's proactive liquidity management and signals policy consistency.
13.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The RBI has approved Warburg Pincus to invest ₹4,876 crore in IDFC First Bank via its affiliate Current Sea Investments B.V., acquiring up to 9.99% stake through Compulsorily Convertible Preference Shares (CCPS). The move, already cleared by the CCI, will boost the bank's capital base, expand its lending ability, and accelerate its growth trajectory, marking a major foreign investment milestone in India's banking sector.

Other Important Banking Related Current Affairs

- Indian public sector banks** will raise around **₹45,000 crore** in **FY26** through **Qualified Institutional Placement (QIP)** of shares, starting with **SBI**. The government also plans to **complete its stake sale in IDBI Bank by October 2025** and sell shares in several other PSU banks. These moves are part of the government's **₹47,000 crore disinvestment plan** announced in the **Union Budget 2025–26**, aimed at strengthening banks and encouraging private investment.
- Taiwan's largest private bank, CTBC Bank**, has applied to set up an **IFSC Banking Unit (IBU)** in **GIFT City, Gujarat**. The application was filed with the **IFSCA** and proposes using **3,100 sq ft** of office space in **Brigade Towers**. The bank already operates in **New Delhi** and now plans to expand its services through GIFT City. Other banks from **Taiwan, UAE, and France** have also made similar moves. As of **March 2025**, **31 IBUs** have been set up in GIFT City, showing strong international interest.
- The **UPI-PayNow linkage**, expanded by **NPCI International** on **July 17, 2025**, now includes **19 Indian banks**, aiming to boost **real-time cross-border remittances** between **India and Singapore**. Supported by the **RBI** and **Monetary Authority of Singapore**, this initiative enhances **financial inclusion**, especially for **migrant workers and students**, and showcases India's progress in **global digital payment innovation**.
- EximPe**, a leading fintech startup, has secured **RBI's in-principle PA-CB licence**, enabling it to facilitate **cross-border payments** for **e-commerce, digital services, and B2B trade**. The firm plans to **expand 10X by FY26**, with over **\$450 million** in processed transactions and support from **\$3.5 million in equity funding**. This milestone enhances India's presence in the **Asian cross-border payment corridor**, and strengthens the role of regulated **fintech solutions** for **SMEs**.
- HSBC's withdrawal from the NZBA** makes it the first UK bank to quit the coalition, following a trend set by major US and Canadian lenders. The exit has sparked widespread criticism from **climate campaigners and investors**, raising doubts about **HSBC's climate priorities** and signalling potential risks for **global climate coordination** within the banking sector. While **HSBC reaffirms its net zero 2050 target**, the move has exposed deepening divides in how banks handle **climate risks, disclosures, and sector-wide accountability**.





- **Public Sector Banks (PSBs)** have identified **1,629 wilful defaulters** with outstanding dues of **₹1.62 trillion** as of **March 31, 2025**, as per the **Union Finance Ministry**. The government has implemented several legal and administrative measures to **recover NPAs**, including action through **SARFAESI**, **IBC**, and public disclosure via **credit bureaus** like **CIBIL** and **Experian**. This issue remains a **major concern** for the **health of the banking sector**, especially given the **slowing deposit growth** and rising **credit risk**.

Banking Current Affairs of June 2025

S. No.	Bank Name	Purpose
1.	Canara Bank	<ul style="list-style-type: none"> • Canara Bank has removed the Average Monthly Balance requirement for all savings bank accounts, including salary and NRI types, eliminating related penalties. • This step, aimed at financial inclusion, will benefit a wide range of customers. Established in 1906, Canara Bank now has over 9,800 branches, including a strong rural footprint and global presence.
2.	Deutsche Bank	<ul style="list-style-type: none"> • Deutsche Bank has appointed Stefan Schaffer as the CEO of Deutsche India's Global Capability Centre (GCC), alongside roles as Global CIO for Corporate Functions and Head of Global Technology Centres. • This appointment reinforces Deutsche Bank's commitment to technological innovation, standardisation, and its India operations, which currently support global functions across finance, technology, risk, and operations with a 20,000-strong workforce. • Schaffer's leadership experience in Bucharest and shared applications underscores the bank's drive toward a digitally unified global enterprise.
3.	Asian Development Bank	<ul style="list-style-type: none"> • On 1 June 2025, the Asian Development Bank (ADB) unveiled a \$10 billion initiative for urban transformation in India. • This 5-year plan aims to revamp metro networks, launch new RRTS corridors, and improve urban infrastructure and services across over 100 cities. Backed by sovereign loans, private capital, and the Urban Challenge Fund (UCF), the project also includes \$3 million in technical assistance for project planning. • ADB emphasized skill development, women's empowerment, and inclusive urban growth as part of India's Viksit Bharat @ 2047 mission. The announcement follows meetings with PM Modi, FM Nirmala Sitharaman, and Housing Minister Manohar Lal.
4.	State Bank of India (SBI)	<ul style="list-style-type: none"> • State Bank of India (SBI) gave a significant boost to the government's non-tax revenue by paying a dividend of ₹8,076.84 crore for FY 2024-25, up from ₹6,959.29 crore last year, with Chairman C.S. Setty formally handing over the cheque to Finance Minister Nirmala Sitharaman, highlighting SBI's robust financial performance, a ₹15.90/share dividend, and its pivotal role in fiscal resource mobilization.
5.	Federal Bank	<ul style="list-style-type: none"> • Scapia, in collaboration with Federal Bank, has launched India's first dual-network credit card combining Visa and RuPay, known as the Scapia Federal RuPay Credit Card. • With UPI compatibility, zero forex markup, Scapia Coins, and airport lounge benefits, the card offers a unified credit experience for domestic and international use. • The launch is aligned with Scapia's broader platform upgrades under its 2025 Summer Release, including AI recommendations, tailored fare options, and reward enhancements — marking a key milestone in India's fintech evolution.
6.	Asian Development Bank (ADB)	<ul style="list-style-type: none"> • The Asian Development Bank (ADB) has approved a \$109.97 million loan to support Gujarat's Skills Development Program, a forward-looking initiative designed to enhance technical education, promote inclusive employment, and drive industrial competitiveness. • By upgrading training infrastructure, launching industry-aligned courses, and improving governance at institutions like Kaushalya: The Skill University, the program will create a future-ready workforce.





S. No.	Bank Name	Purpose
7.	DFCC Bank PLC	<ul style="list-style-type: none"> • DFCC Bank PLC, one of Sri Lanka's leading financial institutions, has achieved a significant milestone by becoming the first foreign corporate to list a green bond on India's NSE International Exchange (NSE IX) at GIFT City. • This LKR 2.5 billion bond, previously listed in Sri Lanka and on the Luxembourg Stock Exchange, will finance solar energy projects in line with Sri Lanka's 2030 renewable goals. The bond adheres to ICMA Green Bond Principles and supports the UN SDGs, especially Affordable and Clean Energy and Climate Action.
8.	SBI General Insurance	<ul style="list-style-type: none"> • SBI General Insurance has appointed Mohd. Arif Khan as its Deputy CEO to steer the company through a phase of growth and innovation. With over 25 years at SBI, Khan has expertise across retail banking, digital systems, and leadership training. • His appointment is expected to strengthen customer experience, drive technological innovation, and expand SBI General's footprint in emerging markets. • Holding multiple certifications and academic accolades, his entry signifies SBI General's push towards excellence in insurance services and leadership transformation.
9.	Punjab National Bank	<ul style="list-style-type: none"> • Punjab National Bank (PNB) has disbursed ₹17.02 crore to the families of 26 defence and paramilitary martyrs under its Rakshak Plus Scheme, as of June 11, 2025. • The scheme, designed for uniformed personnel, provides comprehensive insurance benefits, including ₹1 crore accidental cover and ₹1.5 crore air accident cover, along with support for partial disabilities. • PNB's initiative aims to honour the sacrifices of Indian soldiers by ensuring their families are not left without support. It reaffirms the bank's role in nation-building, standing in solidarity with the armed forces.

RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	RBI	<ul style="list-style-type: none"> • The RBI's enhanced liquidity stress testing framework marks a significant step toward improving the financial system's capacity to absorb shocks. • By including NBFCs, UCBs, and even its own portfolio in stress test models, and integrating climate transition risk, the central bank aims to foster a resilient, transparent, and future-ready financial ecosystem. • The introduction of a Growth-at-Risk model will further align monetary policy with potential macroeconomic vulnerabilities.
2.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India is set to review its inflation targeting framework and reassess the required liquidity levels in FY26. With growing concerns over the volatility of food prices, discussions are gaining momentum around using core inflation as a more stable benchmark for monetary policy. • Simultaneously, the RBI plans to fine-tune liquidity management to maintain a surplus of around 1% of NDTL, ensuring smoother policy transmission. The shift underlines the central bank's commitment to financial stability, price control, and growth facilitation through a robust policy framework.
3.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has granted in-principle approval to PayPal Payments and Worldline ePayments India to operate as cross-border payment aggregators (PAs). • This move follows an RBI directive from October 2024 requiring such firms to secure independent authorization instead of operating under the old OPGSP model. • The step is expected to significantly benefit India's freelancers, SMEs, and exporters, strengthening India's digital economy and its participation in global trade.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
4.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has successfully facilitated the withdrawal of ₹2,000 notes, with 98.26% returned by May 31, 2025. Introduced during the 2016 demonetisation, these high-value notes are being phased out under the Clean Note Policy due to low usage and aging currency stock. The notes can still be exchanged or deposited through RBI offices and India Post. This step is seen as a major move towards efficient currency management and reducing unaccounted cash holdings.
5.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) imposed 353 penalties worth ₹54.78 crore on various regulated entities (REs) during the fiscal year 2024–25, as disclosed in its Annual Report. The violations pertained to cybersecurity non-compliance, exposure norms, IRAC guidelines, KYC norms, and fraud/data reporting failures. Cooperative banks faced the most penalties (264), followed by NBFCs, HFCs, and commercial banks. The RBI's actions reinforce the growing emphasis on regulatory enforcement, transparency, and risk mitigation across India's banking ecosystem.
6.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) issued a draft proposal on April 9, 2025, outlining revised rules for lending against gold, aiming to align practices across financial institutions and curb discrepancies. Triggered by the surge in gold loan activity, particularly among banks, these guidelines focus on enhancing borrower safety, ensuring transparency, and streamlining lending norms—though they've raised alarms about potential disruptions to rural credit, especially for small-scale borrowers in southern India. The Reserve Bank of India (RBI) has revised its gold loan guidelines, increasing the loan-to-value (LTV) ratio to 85% for loans up to ₹2.5 lakh, while setting the cap at 80% for ₹2.5–5 lakh and 75% beyond ₹5 lakh. Effective from April 1, 2026, the norms are designed to improve credit accessibility for small-ticket borrowers while addressing rising non-performing assets (NPAs) in the sector. The move follows inputs from the Department of Financial Services (DFS) and mandates stricter collateral valuation, faster gold return, and safeguards against misleading ads.
7.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has launched a special scheme to promote original Hindi book writing in economics, banking, and finance, offering recognition and financial rewards to UGC-recognized professors (working or retired) who author original Hindi books (20+ pages) published between April 1, 2024, and March 31, 2025, with the application deadline set for June 30, 2025.
8.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has revised its gold loan LTV norms, allowing a higher loan-to-value ratio of up to 85% for low-ticket loans. This move, effective from April 1, 2026, is expected to significantly benefit NBFCs, especially those with a large share of loans under ₹5 lakh. According to Crisil Ratings, the revised norms offer greater lending headroom and help offset new LTV computation rules that include accrued interest in bullet repayment loans.
9.	RBI	<ul style="list-style-type: none"> The RBI will conduct a ₹30,000 crore government securities auction on June 13, 2025, which includes the re-issuance of ₹5,000 crore Sovereign Green Bonds (SGrBs) maturing in 2054. These bonds are earmarked for environmentally sustainable projects. The auction will use the multiple price method via the e-Kuber platform. This step demonstrates India's firm commitment to green financing, climate resilience, and its net-zero goals under global climate agreements.
10.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India has announced final guidelines for project finance provisioning, reducing the burden on lenders by setting a 1% requirement for under-construction loans, down from the earlier proposed 5%. The norms, effective October 1, 2025, provide flexibility for commercial real estate and housing loans, while retaining lower provisioning rates for operational projects. This move aligns with the RBI's broader consultative approach, supporting credit availability and infrastructure development.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
11.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has revised Priority Sector Lending (PSL) norms for Small Finance Banks (SFBs), effective from FY 2025–26, reducing the overall PSL target from 75% to 60% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance Sheet Exposures (CEOBE), whichever is higher. Of this, 40% must still go to specified PSL sub-sectors (e.g., agriculture, MSMEs, education), while the remaining 20% can be flexibly allocated to any PSL sub-sectors where the SFB has a competitive advantage.
12.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) reported a 3.1% year-on-year rise in the All-India House Price Index (HPI) for Q4 FY2024–25, matching the previous quarter's growth but slightly lower than 4.1% in the same period last year. Based on property registration data from 10 major cities, the index reflects authentic urban housing trends. Quarter-on-quarter, national house prices increased by 0.9%, with Bengaluru, Jaipur, Kolkata, and Chennai leading due to strong demand and urban development. Kolkata saw the highest annual rise at 8.8%, while Kochi was the only city with a price decline (-2.3%).
13.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has imposed a monetary penalty of ₹29.6 lakh on Fino Payments Bank Limited for non-compliance with the Licensing Guidelines for Payments Banks. The violation was uncovered during the Statutory Inspection for Supervisory Evaluation (ISE 2024), assessing operations as of March 31, 2024. The breach involved exceeding the end-of-day balance limits in customer accounts, which is against the RBI's prescribed norms for Payments Banks designed to limit systemic risk. This action underscores the RBI's commitment to regulatory enforcement and financial discipline.
14.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has announced a major operational change by extending the call money market timings to 7 PM starting July 1, 2025. Additionally, market repo and Tri-Party Repo (TREP) timings will be extended till 4 PM from August 1, 2025. This decision follows recommendations from a Working Group led by Radha Shyam Ratho and is aimed at improving liquidity management, aligning with global market practices, and enhancing operational flexibility for banks and financial institutions. Trading hours for government securities, foreign exchange, and interest rate derivatives remain unchanged.

SEBI News

S.No	Announcement	Key Details
1.	SEBI launched settlement scheme	<ul style="list-style-type: none"> SEBI has launched a settlement scheme for stock brokers involved in algo trading violations, open from June 16 to September 16, 2025. Over 100 brokers, including top firms like Zerodha and 5Paisa, were found collaborating with unregulated algo platforms offering assured returns—a direct breach of SEBI norms. The scheme provides a way to resolve cases with a low settlement cost, while SEBI continues to strengthen regulations for algorithmic trading, emphasizing retail investor protection, empanelment of algo providers, and broker accountability.
2.	Securities and Exchange Board of India Proposes Permitting All KYC Agencies to Function as Accreditation Bodies	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has proposed that all KYC Registration Agencies (KRAs) be allowed to function as accreditation agencies, expanding eligibility beyond subsidiaries of stock exchanges and depositories. Currently, only subsidiaries of stock exchanges and depositories (under specific conditions) are eligible to be accreditation agencies. Key Highlights : <ul style="list-style-type: none"> Presently, only two accreditation agencies operate in the market: <ol style="list-style-type: none"> CDSL Ventures Ltd (subsidiary of CDSL) NSDL Data Management Ltd (subsidiary of NSDL)





S.No	Announcement	Key Details
		<ul style="list-style-type: none"> Both current accreditation agencies are also KRAs, and there are a total of five KRAs registered with SEBI. SEBI believes this is the right time for the change as it would cause no disruption to the existing accreditation ecosystem. The move is expected to: Increase the number of accreditation agencies, Enhance competition, Enable cost-efficient servicing. SEBI also proposed faster onboarding of accredited investors by allowing Alternative Investment Funds (AIFs) to temporarily onboard investors based on the first-level due diligence by AIF managers. However, funds should be received from such investors only after they receive an accreditation certificate from an accreditation agency. Any commitment made by a provisionally onboarded investor: Shall not be included in the calculation of the scheme's corpus until accreditation is received. Shall be null and void if the investor fails to obtain accreditation before the final close, in the case of close-ended AIF schemes. SEBI has invited public comments on the proposal until July 8, 2025.
3.	Securities and Exchange Board of India Urges Investors to Use CeFCoM Platform for Payments to Advisers and Research Analysts	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) is encouraging investors to make payments to investment advisers and research analysts through the Centralized Fee Collection Mechanism (CeFCoM) to protect against financial fraud and unauthorized fund collections. Use of CeFCoM is optional, but SEBI highlights its benefits in enhancing transparency, security, and trust in the investment advisory ecosystem. CeFCoM was launched on October 1, 2024, and is operated by BSE Ltd. in collaboration with MF Utilities India Pvt. Ltd. CeFCoM supports multiple digital payment modes including Net Banking, UPI/UPI Autopay, Debit/Credit Cards, IMPS/NEFT/RTGS, eNACH, and cheques. As of June 10, 2025, investors have paid over ₹5 crore through CeFCoM. The platform helps investors distinguish between SEBI-registered advisers/analysts and unregistered fraudulent entities, reducing the risk of deception via misleading schemes and payment links. SEBI plans to launch a digital verification tool called 'SEBI Check' from October 1, 2025, allowing investors to verify authenticity of UPI handles and bank account details before making payments. The new structured UPI handle system will use readable usernames with category-specific suffixes like 'brk' (brokers), 'mf' (mutual funds), and an '@valid' tag issued by the National Payments Corporation of India (NPCI). Verified UPI handles will have a green triangle with a thumbs-up icon as a visual indicator of legitimacy. SEBI also intends to collaborate with online app stores to ensure only validated apps for investment-related payments are listed, enhancing digital trust.
4.	Securities and Exchange Board of India Requires Registered Intermediaries to Have Dedicated UPI Address	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) will introduce a validated UPI handle for investor-facing intermediaries to ensure secure payments and prevent fraud. The new UPI handle will use the suffix "@valid", for example: bkr@validhdfc where "abc.bkr" is the intermediary's name and "hdfc" is the self-certified syndicate bank. The UPI handles will be allocated by NPCI (National Payments Corporation of India). A valid payment will display a thumbs-up symbol inside a green triangle to help non-English speaking users recognize authenticity. Approximately 8,000 to 9,000 intermediaries (including brokers, bankers to an issue, research analysts, investment advisors) will transition to the new UPI handle. The mandate will come into force from October 1, 2025.





S.No	Announcement	Key Details
		Key Highlights : <ul style="list-style-type: none"> Existing SIPs (Systematic Investment Plans) will not be affected, but old UPI IDs will be discontinued from December 11, 2026. SEBI will conduct investor awareness campaigns and cyber fraud prevention efforts over the next two years, with an allocated budget. Intermediaries are required to create awareness about the new UPI handle and prominently display it. Investors must verify UPI IDs before making payments using the SEBI Check application to ensure transactions are only with verified intermediaries. SEBI plans to collaborate with the Google Play Store to ensure only valid apps are available to investors.
5.	Securities and Exchange Board of India releases operational guidelines for issuance of Environment, Social and Governance debt securities	<ul style="list-style-type: none"> Market regulator Securities and Exchange Board of India (SEBI) has released an operational framework for the issuance of social bonds, sustainability bonds, and sustainability-linked bonds, collectively called Environment, Social and Governance (ESG) debt securities. The framework aims to help issuers raise funds for sustainable projects and bridge the funding gap for the Sustainable Development Goals (SDGs). Debt securities will be labelled as social bonds, sustainability bonds, or sustainability-linked bonds only if the raised funds are used for financing or refinancing projects aligned with their objectives. Key Highlights : <ul style="list-style-type: none"> Initial disclosures must be made in the offer document; continuous disclosures must be included in annual reports or other mandated formats. Issuers of social bonds must disclose: <ul style="list-style-type: none"> Social objectives of the project. Details of the decision-making process for project eligibility. Procedures for tracking deployment of proceeds. An indicative estimate of fund distribution between financing and refinancing. In case of refinancing, details of the existing debt, including amount outstanding, must be disclosed. Issuers must appoint an independent third-party reviewer or certifier to ensure compliance with recognized ESG standards. Issuers of sustainability bonds must comply with provisions specified for green debt securities. Issuers must ensure all funded projects meet the stated social or sustainability objectives and use proceeds only for the disclosed purpose. SEBI recognizes that some projects may have co-benefits (e.g., social projects with environmental benefits and vice versa). The classification of debt securities depends on the issuer's primary objectives for the projects. Issuers must continuously monitor the impact of projects to confirm they are achieving the intended social or sustainable outcomes as stated in the offer document. The framework will be effective from June 5, 2025
6.	Securities and Exchange Board of India Introduces Verified UPI Handles to Prevent Market Frauds and Strengthen Investor Safety	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has launched the 'SEBI Check' tool to validate UPI handles and registered bank accounts to ensure secure payments by investors. The tool will help enhance investor protection and combat deepfakes and cyber frauds. Investors can use SEBI Check to verify if a UPI handle or bank account is registered before making payments. UPI ID authenticity can be verified by: <ul style="list-style-type: none"> Scanning a QR code, or

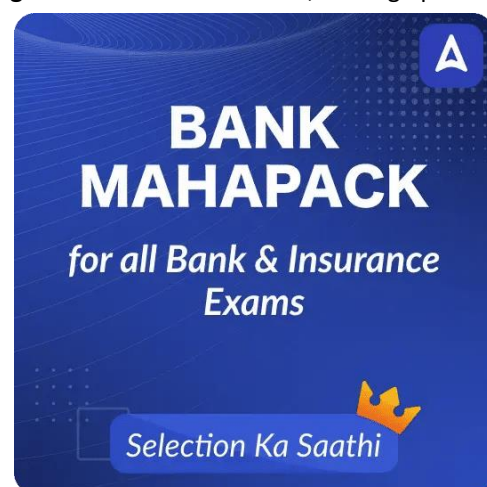




S.No	Announcement	Key Details
		<ul style="list-style-type: none"> • Entering the UPI ID manually • For bank account verification, investors can check: <ul style="list-style-type: none"> • Bank account number • Indian Financial System Code (IFSC) of the SEBI-registered intermediary • The username will include: <ul style="list-style-type: none"> • A readable name chosen by the intermediary • Followed by a mandatory suffix that identifies their category (e.g., brk for Stock Broker, m for Mutual Fund) • A valid handle will feature: <ul style="list-style-type: none"> • A unique identifier, “@valid”, • Combined with the name of the Self-Certified Syndicate Bank • These validated UPI handles will be exclusively allocated by the National Payments Corporation of India (NPCI) only for payment collection by SEBI-registered intermediaries. • The SEBI Check tool will be available from October 1, 2025. • SEBI will also coordinate with online app stores to display only validated apps for payments to protect investors from fake platforms.
7.	Securities and Exchange Board of India Imposes ₹25 Lakh Penalty on BSE Limited for Multiple Regulatory Violations	<ul style="list-style-type: none"> • Securities and Exchange Board of India (SEBI) imposed a penalty of ₹25 lakh on BSE Limited for multiple violations. • Violations include dissemination of price sensitive information by corporates, weak supervision of broker trades, and laxity in taking action. • SEBI conducted an inspection of BSE from February 2021 to September 2022 and issued a show cause notice • Major charge: Prior to September 2023, BSE's system architecture allowed the Listing Compliance Monitoring (LCM) team and paid subscribers to access corporate announcements before they were publicly available on its website. • BSE is directed to pay the penalty within 45 days of receiving the order.

Other Important Banking Related Current Affairs

- The **Investor Education and Protection Fund Authority (IEPFA)** and **SEBI** launched the first **Niveshak Shivir** in **Pune** on **June 1, 2025**, focusing on helping investors **reclaim unclaimed dividends and shares**, update **KYC and nominations**, and learn about the **IEPF claim process**. Over **450 participants** benefited from **personalized assistance**, including a **search facility**, form filling support, and awareness of common errors. A special **NSDL brochure** was also released to guide investors. The initiative reflects a commitment to **transparent, investor-centric governance**, with more city-wide events to follow.
- The **SBI Economic Research Report** forecasts a **rise in household net financial savings** to ₹22 lakh crore in FY25, making up **6.5% of GNDI**—a sign of economic strengthening. It also highlights the **RBI's record surplus transfer** of ₹2.69 lakh crore and the **resilience of India's financial system** despite challenges like rising fraud amounts. The report paints a picture of **robust financial fundamentals** and **transformative shifts** in savings, governance, and institutional efficiency.
- In **May 2025**, **credit card spending** in India jumped by **14.5% year-on-year**, reaching **₹1.89 trillion**, as per **RBI** data. The increase was driven by the issuance of **760,000 new credit cards**, with **HDFC Bank** and **SBI Cards** leading the growth. The total number of cards in circulation rose to **111.19 million**, indicating enhanced **consumer confidence**, a growing shift toward **digital payments**, and rising **retail credit penetration**. This trend reinforces the role of **private banks** in driving the country's **digital consumption economy**.




Banking Current Affairs of May 2025

S. No.	Bank Name	Purpose
1.	State Bank of India	<ul style="list-style-type: none"> The State Bank of India (SBI) reported a 10% decline in its Q4 FY25 standalone net profit, citing ₹18,643 crore compared to ₹20,698 crore in the same quarter last year. Despite this, total income grew by 12% and asset quality improved, with gross NPAs reducing to 1.82%. The bank's annual net profit rose by 16% to ₹70,901 crore, and it declared a dividend of ₹15.90 per share. SBI plans to raise ₹25,000 crore in FY26 through equity issuance, signaling continued growth and investment in future expansion.
2.	State Bank of India	<ul style="list-style-type: none"> The State Bank of India (SBI) has initiated the largest staff engagement and training programme in India's banking sector to equip its 2.3 lakh employees with future-ready skills and instill organizational pride. Through initiatives like 'Next LEAP' and 'SuPer SBI: Great to Greater', over 1.75 lakh employees have been trained using a centralised learning system and data-driven performance tools. SBI also introduced a succession planning policy for smooth transitions in key roles
3.	Kotak Mahindra Bank's	<ul style="list-style-type: none"> Kotak Mahindra Bank's newly launched Kotak Solitaire Credit Card is a premium, invite-only travel card offering 10 airmiles per ₹100 on travel bookings through Kotak Unbox, unlimited airport lounge access, and zero forex mark-up. It allows airmile transfers to major airlines like Air India, British Airways, and Singapore Airlines, along with hotel partners like Marriott Bonvoy. With exclusive hotel booking perks, minimal cash withdrawal fees, and a ₹25,000 annual fee, it competes with other luxury travel cards in the Indian credit card market.
4.	Canara Bank	<ul style="list-style-type: none"> Canara Bank and Union Bank of India launched special deposit schemes to counter slowing deposit growth in the banking sector. While Canara Bank introduced Canara TruEdge, a personalized account solution linked to Monthly Average Balance (MAB), Union Bank unveiled the Union Wellness Deposit, a term deposit offering 6.75% interest, bundled with health insurance and lifestyle benefits. These initiatives reflect a strategic move by public sector banks to attract high-value customers, strengthen resource mobilization, and align with the goals of customer-centric banking.
5.	Canara Bank	<ul style="list-style-type: none"> Canara Bank's Q4 FY25 results indicate a strong performance with a 33.19% YoY rise in net profit to ₹5,004 crore. The bank also reported a 7.62% increase in total interest income and a 12% growth in operating profit, despite a marginal decline in net interest income and net interest margin. Notably, gross and net NPAs dropped significantly, suggesting improved asset quality. The bank's global business and domestic operations witnessed healthy double-digit growth, and a ₹4 dividend per share was recommended.
6.	Punjab National Bank	<ul style="list-style-type: none"> Punjab National Bank (PNB) has agreed to sell its entire stake in India SME Asset Reconstruction Company (ISARC) for ₹34.04 crore, marking a strategic step to streamline its portfolio and prioritize core banking operations. The transaction includes 2.09 crore shares and follows RBI approval for the new investor, Authum Investment and Infrastructure Ltd. ISARC specializes in recovering distressed SME assets and reported solid financials for FY24. PNB's decision is aligned with regulatory trends and received a positive response in the stock market.
7.	Airtel Payments Bank RuPay	<ul style="list-style-type: none"> Airtel Payments Bank has launched eco-friendly NCMC (National Common Mobility Cards) enabled debit and pre-paid cards. The bank has partnered with National Payments Corporation of India (NPCI) to offer interoperable cards powered by RuPay. This initiative supports India's One Nation, One Card vision, emphasizing interoperability across transit and payment systems.





S. No.	Bank Name	Purpose
8.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) signed a Memorandum of Understanding (MoU) with Land Ports Authority of India (LPAI) to enhance banking services at 26 land ports across India's borders with neighboring countries.
9.	India Post Payments Bank	<ul style="list-style-type: none"> India Post Payments Bank (IPPB) emphasized its commitment to the welfare of Shramiks (labourers) on the occasion of Labour Day (May 01).
10.	Bank of India	<ul style="list-style-type: none"> Sa-Dhan, a self-regulatory organization for microfinance institutions (MFIs), has signed a Memorandum of Understanding (MoU) with Bank of India (BoI) to expand financial access for small, micro, and women-led enterprises.
11.	Qatar National Bank	<ul style="list-style-type: none"> QNB (Qatar National Bank), the largest financial institution in the Middle East and Africa (MEA), has become the first bank from the region to open a branch in India's GIFT City, Gujarat's premier international financial hub and special economic zone. The bank's GIFT City branch plans to support Indian corporates seeking global banking partners to drive their expansion. QNB's international network spans 28 markets across three continents.
12.	Canara Bank and Union Bank	<ul style="list-style-type: none"> State-owned Canara Bank and Union Bank of India have announced special deposit schemes to boost resource mobilisation amid slowing deposit growth. Deposit growth declined to 10.3% in FY25 from 13.5% in FY24. Most public sector banks project deposit growth of 9–11% for the current financial year.
13.	HDFC Bank	<ul style="list-style-type: none"> HDFC Bank, India's leading private sector bank in Current Account deposits, launched the new Biz+ Current Accounts. Biz+ is a reimagined suite of Current Account offerings designed to meet the evolving needs of Indian businesses. The accounts aim to empower businesses by bringing the entire bank to the customer from day one.
14.	SBM Bank India	<ul style="list-style-type: none"> SBM Bank India and ICICI Prudential Life Insurance Company have entered into a bancassurance partnership.
15.	Axis Bank	<ul style="list-style-type: none"> Axis Bank, a leading private sector bank in India, has partnered with money, the Flipkart Group's credit-first UPI platform, to launch a lifetime-free co-branded RuPay credit card. The card offers high rewards, UPI-enabled convenience, and zero annual fees. The Axis Bank super.moneyRuPay Credit Card supports transactions via UPI, POS terminals, online purchases, and ATM withdrawals.
16.	IndusInd Bank	<ul style="list-style-type: none"> IndusInd Bank has signed a pact with AIC STPINEXT to provide financial solutions and structural support to early-stage startups and MSMEs. AIC STPINEXT is a special purpose vehicle of Software Technology Parks of India (STPI) under the Ministry of Electronics and Information Technology (MeitY). Under the collaboration, IndusInd Bank will offer tailored banking solutions to support startups associated with STPI/STPINEXT. The bank will provide a specialized Current Account with no quarterly average balance requirement, simplifying financial management for startups. Additional support includes expert guidance and workshops on topics such as banking basics, equity infusion, Employee Stock Ownership Plans (ESOPs), and segment-based funding. To improve operational efficiency, the bank will offer payroll and attendance management services to early-stage startups free of cost.
17.	Canara Bank	<ul style="list-style-type: none"> Canara Bank has launched "CANARA TruEdge," a specialised and feature-rich suite of Current and Savings Accounts designed for institutional clients across sectors like healthcare, education, religious organisations, and other non-individual entities. The suite carries the tagline: "Grow with trust, lead with edge." It aims to enhance customer segmentation and provide tailored solutions aligned with clients' operational and financial workflows. The product offers zero initial deposit requirement for easy onboarding. Benefits increase proportionally as institutions maintain higher account balances.





S. No.	Bank Name	Purpose
18.	India Post Payments Bank	<ul style="list-style-type: none"> India Post Payments Bank (IPPB), a Government of India undertaking, has formed a strategic partnership with Aditya Birla Capital Limited (ABCL), a leading diversified financial service company in India. The partnership aims to broaden the reach and accessibility of loan products across Bharat (India). The collaboration integrates Aditya Birla Capital's diverse lending products with IPPB's extensive network and digital infrastructure.

RBI News

RBI Annual Report 2024–25: A Comprehensive Overview of India's Central Banking Landscape

The Reserve Bank of India (RBI) has released its Annual Report for the financial year 2024–25, as required by Section 53(2) of the RBI Act, 1934. This comprehensive document outlines the state of the Indian economy, RBI's financial performance, key trends in banking and digital payments, and its policy plans for the coming year. It reflects the central bank's continuing efforts to ensure economic stability, encourage digital transformation, and manage risks in an increasingly volatile global environment.

1. RBI's Financial Performance and Balance Sheet

- The RBI's balance sheet showed solid growth this year. As of March 31, 2025, it stood at ₹76.25 lakh crore, up from ₹70.47 lakh crore a year ago. This represents an increase of 8.21%, showing the central bank's expanding role in managing the economy.

Assets Growth:

- A 52.09% increase in gold holdings played a major role in this expansion.
- Domestic investments also rose by 14.32%, reflecting strong policy support.
- Foreign investments grew more modestly at 1.70%, affected by global uncertainties.

Liabilities Side:

- The increase came largely from a rise in currency in circulation, higher balances in revaluation accounts, and market-related operations.

Income and Expenditure:

- RBI's total income reached ₹3.38 lakh crore, a 22.77% increase from the previous year's ₹2.76 lakh crore.
- Expenditure also rose, reaching ₹69,714 crore, which is 7.76% more than last year.
- Despite this, the RBI transferred a record surplus of ₹2.69 lakh crore to the Central Government, showcasing effective financial management.
- It also added ₹44,861 crore to its Contingency Fund, which is used during financial emergencies.

2. Currency Circulation and the Shift to Digital Payments

One of the key changes in India's economy is the increasing shift from cash to digital modes of payment.

Cash Trends:

- The currency-to-GDP ratio declined to 11.2%, down from earlier levels. This means a smaller share of the economy now uses physical cash.
- However, currency in circulation still grew by 5.8%, suggesting continued demand for cash, especially in rural areas.
- The ₹500 note continued to be the most used, both in volume and value.

Digital Payment Growth:

- Retail digital payments increased by 17.9% in value and 35% in volume, showing wider usage of apps like UPI.
 - The Digital Rupee (CBDC) also made strong progress. Its circulation value grew by 334%, reaching ₹1,016.5 crore.
- This shows that while cash is still important, more people and businesses are turning to digital transactions.

3. Foreign Investment and Corporate Bond Markets

The RBI also monitors foreign investment in India's financial markets.

- In FY25, Foreign Portfolio Investment (FPI) in corporate bonds rose by 11.4%, totaling ₹1.21 lakh crore.
- However, the percentage of limit used declined slightly to 15.8% (from 16.2%), not because of reduced interest but due to a higher investment cap.

This indicates that foreign investors remain confident, and there is room for further investment.





4. Currency Printing and Counterfeit Notes

As part of managing the currency supply, the RBI prints banknotes every year.

- In FY25, **₹6,373 crore** was spent on **currency printing**, a **25% increase** from the previous year.
- The increase was driven by higher demand for new notes and replacement of old ones.

Fake Notes Concern:

- A rise in **counterfeit ₹500 notes** was recorded, with cases increasing by **37.3%**.
- **Fake ₹200 notes** also saw a **13.9%** rise.
- Other denominations saw a drop, but **overall counterfeiting remains a concern**, pushing the RBI to strengthen security features.

5. Economic Growth and Inflation Outlook

The RBI is optimistic about India's economic growth.

- **Real GDP growth** for FY26 is projected at **6.5%**, supported by:
 1. Higher consumer spending,
 2. Strong government capital expenditure, and
 3. A growing services sector.
- India's **banking and corporate sectors** are also in good health, contributing to this growth.

Inflation Expectations:

- The RBI aims to keep **inflation at around 4%**.
- This depends on **normal monsoons**, strong food supply, and stable global oil prices.
- However, the report warns of risks from **climate change, geopolitical tensions, and global trade disruptions**.

6. Cybersecurity and Digital Banking Reforms

As digital banking grows, the RBI is working to improve **online safety**.

- In February 2025, it proposed a new internet domain: **'bank.in'**, to ensure that users only access **verified banking websites**.
- This aims to reduce **phishing, identity theft, and fraud**.

UPI Advancements:

- The **'UPI Circle'** feature lets trusted individuals make payments from your account.
- **Small Finance Banks** are now allowed to offer **pre-approved credit lines** via UPI, helping people access short-term loans easily.
- RBI is also working to **connect UPI with international payment systems**, which will simplify **foreign remittances**.

7. Gold Reserves and Exchange Rate Management

- The RBI increased its **gold holdings** by **54.13 metric tonnes**, and the total value rose to **₹4.32 lakh crore**, a **57.12% rise**.
- This was due to new purchases, higher global gold prices, and a weaker Indian rupee.

The RBI will continue managing the **rupee exchange rate** through foreign exchange market interventions to avoid sharp volatility.

8. Banking Sector Health and Frauds

Fraud Cases:

- Although the **number of bank frauds** fell, the **total value of frauds tripled** to **₹36,014 crore**.
- This was due to **reporting of old frauds** (legacy cases), including 122 frauds worth over ₹18,000 crore that were not recorded earlier.

Urban Cooperative Banks (UCBs):

- UCBs showed improvement:
 1. **Credit growth** increased,
 2. **Capital strength** improved,
 3. **Non-performing assets (bad loans)** fell.
- The RBI extended **Risk-Based Supervision** and **Prompt Corrective Action (PCA)** frameworks to cover more UCBs, boosting transparency.

9. Household Savings and Capital Market Activity

Household Financial Savings:

- **Gross financial savings** rose to **11.2% of income**, from 10.7% last year.
- **Net savings** rose to **5.1%**, indicating better personal money management.

Stock Market Trends:

- Companies raised **₹2.2 lakh crore** via **Qualified Institutional Placements (QIPs)** and **preferential shares**.
- Another **₹2.1 lakh crore** came from **IPOs, FPOs, and rights issues**.
- This shows high **investor confidence** and growing **corporate expansion**.





10. Promoting INR in Global Trade

To make the Indian Rupee more important in international trade, the RBI has taken several steps:

- **NRIs and foreigners** can now hold **INR accounts abroad**.
- RBI signed **Local Currency Settlement (LCS)** agreements with:
 1. **UAE**
 2. **Indonesia**
 3. **Maldives**
 4. **Mauritius**
- These deals allow trade to happen directly in **local currencies**, reducing reliance on the US dollar.
- The RBI also plans to connect its **forex platform FX-Retail** with **NPCI's Bharat Connect** for easier access to forex trading.

11. India's International Trade Outlook

Despite global challenges like:

- Rising **geopolitical tensions**
- **Protectionist trade policies**
- **Tariff uncertainties**

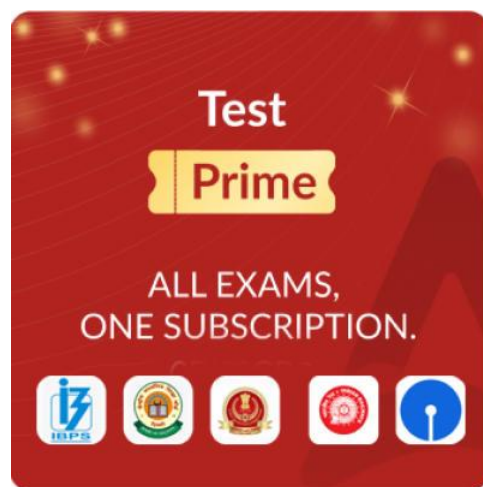
India's trade position is supported by:

- **14 Free Trade Agreements (FTAs)**
- **6 Preferential Trade Agreements (PTAs)**
- Ongoing talks with the **USA, EU, Oman, and Peru** for new trade deals.

This may help protect Indian exports and support economic growth.

Fast Facts: RBI at a Glance

- **Established:** April 1, 1935
- **Legal Authority:** RBI Act, 1934
- **Governor (2025):** Sanjay Malhotra
- **Headquarters:** Mumbai, Maharashtra



Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	RBI	<ul style="list-style-type: none"> • The RBI has imposed monetary penalties on SBI (₹1.72 crore) and Jana Small Finance Bank (₹1 crore) for non-compliance with key regulations related to loan restrictions, customer liability in electronic fraud, and account opening norms. • The central bank clarified that the action stems from compliance deficiencies, not the legality of transactions. This development emphasizes the RBI's regulatory vigilance and its commitment to customer protection and banking discipline.
2.	RBI	<ul style="list-style-type: none"> • RBI Governor Sanjay Malhotra has indicated a positive inflation outlook for FY26, citing declining crude oil prices and strong domestic demand. During the April 2025 MPC meeting, the committee reduced the repo rate to 6% and adopted an accommodative policy stance to stimulate economic growth. • Despite risks from global trade tensions, most MPC members echoed optimism on inflation but cautioned against potential external shocks.
3.	RBI	<ul style="list-style-type: none"> • The RBI's new mandate under the Digital Lending Directions, 2025, requires all regulated entities to report their digital lending apps (DLAs) on the newly launched CIMS portal starting May 13, 2025, with a deadline of June 15, 2025. • A public directory of DLAs will be released by July 1, 2025. These measures aim to protect borrowers, promote transparency, and ensure stricter oversight of digital lending service providers, particularly in light of rising complaints about unethical practices and unregulated apps.
4.	RBI	<ul style="list-style-type: none"> • The RBI will soon issue new ₹20 notes under the Mahatma Gandhi (New) Series, now bearing the signature of Governor Sanjay Malhotra. • These notes will have no changes in design, colour, or features, and will retain the Ellora Caves motif. The RBI confirmed that older notes remain valid, emphasizing this as a routine update following leadership change.





Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
5.	RBI	<ul style="list-style-type: none"> The RBI has cancelled the licence of HCBL Co-operative Bank due to its inability to meet capital and earning standards, posing a risk to depositors. The UP Cooperative Registrar has been directed to liquidate the bank, with over 98% of depositors insured up to ₹5 lakh by the DICGC. This decision upholds banking discipline, strengthens deposit protection, and addresses regulatory non-compliance.
6.	RBI	<ul style="list-style-type: none"> In FY2024-25, the RBI sold a record \$398.71 billion in foreign exchange to defend the rupee, which dropped to an all-time low of ₹87.95 against the US dollar. This aggressive intervention was spurred by global uncertainty, particularly related to fears of a Donald Trump return and protectionist trade policies. Despite an increase in the ceiling for FCNR(B) deposits, capital inflows remained low. This strategy led to a significant depletion of forex reserves, underscoring the high cost of defending the rupee in volatile times.
7.	RBI	<ul style="list-style-type: none"> The RBI's establishment of the Payments Regulatory Board (PRB) marks a significant advancement in India's payment system governance. The PRB includes six members, combining RBI officials and government nominees for the first time, fostering closer collaboration in regulating and supervising the payment ecosystem. The RBI Governor chairs the board, maintaining central bank leadership. This structural reform responds to the growth and complexity of digital payments, aiming to enhance regulation, security, and innovation in India's rapidly evolving financial landscape.
8.	RBI	<ul style="list-style-type: none"> The RBI has approved the largest-ever surplus transfer of ₹2.68 lakh crore to the Central Government for FY 2024-25. This financial boost follows an increase in the Contingent Risk Buffer (CRB) to 7.5% under the revised Economic Capital Framework (ECF). The RBI Board, led by Governor Sanjay Malhotra, assessed the macroeconomic outlook and approved the transfer based on strong financials and prudent provisioning. The surplus will significantly support government expenditure, reduce fiscal deficit, and reflect the post-COVID economic rebound.

SEBI News

S.No	Announcement	Key Details
1.	Markets regulator Securities and Exchange Board of India Chief Rejects Aptitude Test for Retail F&O Traders, Cites Strong Existing Safeguards Against Fraud	<ul style="list-style-type: none"> Securities and Exchange Board of India (SEBI) Chief Tuhin Kanta Pandey ruled out the possibility of introducing an aptitude test for retail traders before they can trade in the Futures & Options (F&O) The reasoning behind this decision is based on concerns about practicality and regulatory overreach. Key Highlights : Regulatory Measures for Speculation in Derivatives:In November 2023, Sebi introduced measures to curb excessive speculation in derivatives. A Sebi study found that 9 out of 10 retail investors lose money while trading in F&O instruments. Certification Mechanisms for Specific Market Participants:Sebi has certification mechanisms for certain market participants, such as NISM certification for advisors and registered participants. Individual Responsibility and Autonomy:Sebi emphasizes that individuals should have the autonomy to manage their finances and should not be restricted by unnecessary tests or regulations. There is a strong belief in individual choice, with people encouraged to make their own investment decisions, including trading in F&O products. Leverage and Risk Management:Sebi discourages the use of leverage for trading, citing the high-risk nature of leveraged products.





S.No	Announcement	Key Details
		<ul style="list-style-type: none"> The regulator does not allow leverage buyouts or leveraged trading in Alternative Investment Funds (AIF). Checks and Balances in the Financial System:Sebi Chairman highlighted that there are sufficient checks and balances in place to tackle frauds in the financial system. The exchanges act as the first line of defense, with extensive disclosures and auditing happening regularly. Addressing Insider Trading and Fraud:Sebi takes insider trading seriously and acts promptly when violations are detected. The regulator focuses on building a watertight case to ensure legal challenges are successfully addressed.
2.	Securities and Exchange Board of India Mandates ₹1 Crore Minimum Investment and Demat for Securitised Debt Instruments	<ul style="list-style-type: none"> Markets regulator Securities and Exchange Board of India (SEBI) mandates a minimum ticket size of ₹1 crore for securitised debt instruments (SDIs) for both RBI-regulated and unregulated originators involved in securitisation activities. Definition of Securitised Debt Instruments (SDIs):SDIs are financial products created by pooling various types of debt (such as loans, mortgages, or receivables) and selling them as securities to investors. Purpose of Securitisation:Securitisation helps convert illiquid assets into liquid ones, providing alternative funding sources for originators (like banks). Key Highlights: Subsequent Transfers:The minimum ticket size for subsequent transfers of SDIs will also be ₹1 crore for originators not regulated by the Reserve Bank of India (RBI) Listed Securities Underlying SDIs:For SDIs backed by listed securities, the minimum ticket size will be the highest face value among the underlying securities. Public Offers for SDIs:Public offers for SDIs must remain open for a minimum of three days and a maximum of ten days, with advertisement requirements in line with SEBI's regulations for non-convertible securities. Risk Management and Retention:Originators must retain at least 10% of the risk in the securitised pool. For receivables with a maturity of up to 24 months, the retention requirement is 5%. Holding Period Requirement:SEBI mandates a minimum holding period for originators: <ul style="list-style-type: none"> 3 months for loans with a tenor of up to two years 6 months for loans with a tenor of more than two years Amendment of Rules: SEBI has amended the "<i>issue and listing of securities debt instruments and security receipts</i>" rules to enforce these new requirements. Optional Clean-up Call:Originators can optionally repurchase up to 10% of the original value of the assets to manage the longevity of the pool. Permissible Assets Underlying SDIs: The updated definition of "debt/receivables" limits underlying assets to: <ul style="list-style-type: none"> Listed debt securities Accepted trade receivables Rental incomes Equipment leases Re-securitisation and synthetic securitisation are disallowed





S.No	Announcement	Key Details
3.	Securities and Exchange Board of India Imposes Cooling-Off Period for Directors of Market Infrastructure Institutions	<ul style="list-style-type: none"> • Markets regulator Securities and Exchange Board of India (SEBI) has amended the SECC Regulations, 2018 and Depositories and Participants Regulations, 2018 to enhance governance at Market Infrastructure Institutions (MIIs) such as stock exchanges, clearing corporations, and depositories. • A mandatory cooling-off period is now required for non-independent directors before they can join the board of a competing MII. • For public interest directors, after completing their term at an MII, they may be appointed to another competing MII for a further three-year term, subject to SEBI's prior approval. • The cooling-off rule applies only when public interest directors move to a competing institution. • Market Infrastructure Institutions (MIIs) include stock exchanges, clearing corporations, and depositories. • The cooling-off period is designed to strengthen governance at MIIs and safeguard market integrity. • The decision followed a SEBI board review in March regarding the appointment of key officials at stock exchanges and other market institutions, with a focus on a cooling-off period before joining competing institutions.
4.	Securities and Exchange Board of India Strengthens Governance by Tightening and Standardising Internal Audit Norms for Market Infrastructure Institutions (MIIs)	<ul style="list-style-type: none"> • The Securities and Exchange Board of India (SEBI) has tightened and standardised the internal audit mechanism norms for Market Infrastructure Institutions (MIIs) to strengthen governance. • Managing Directors (MDs) are barred from being part of audit committees. • What are Market Infrastructure Institutions? • Market Infrastructure Institutions (MIIs) are organizations that provide the essential facilities for trading, clearing, and settling financial instruments like stocks, bonds, and derivatives. • They are the backbone of a robust and well-regulated financial market. • Key Highlights : • Key Managerial Personnel (KMPs) may be invited to audit committee meetings with approval of the committee's chairman but without voting rights. • Auditors and KMPs have the right to be heard in audit committee meetings when the auditor's report is discussed but do not have voting rights. • The new norms will be effective after three months from the circular. • The internal auditor must cover all functions and activities of MIIs, including critical verticals like operations, regulatory, compliance, risk management, investor grievances, and business development. • MIIs may standardise terms of reference for internal auditors in consultation with the industry standards forum of MIIs. • The internal auditor must report only to the audit committee. • Internal auditor's observations must be sent to respective heads of departments for comments to be included in the final report. • The audit committee will set the internal audit timelines. • The internal auditor must appraise the audit committee at least twice a year, within 60 days after September and March, on critical issues of the MII in the absence of management. • SEBI inspections revealed substantial audit observations were not captured earlier, highlighting the need for strengthening the internal audit mechanism.





S.No	Announcement	Key Details
5.	Securities and Exchange Board of India Board to Meet in June to Streamline Regulations	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) board is next scheduled to meet on June 18 to approve a slew of measures aimed at taking forward the theme of ease of doing business and optimisation regulations for market intermediaries and different segments. Streamline and ease Qualified Institutional Placements (QIPs) by simplifying documentation and removing extra paperwork. Align Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) with equities for regulatory consistency. Ease compliance requirements for Alternate Investment Funds (AIFs), including allowing co-investment options via separate vehicles. Provide flexibility for Foreign Portfolio Investors (FPIs) investing only in government bonds by simplifying registration.
6.	Securities and Exchange Board of India Grants Approval to JioBlackRock Asset Management to Launch Mutual Fund Operations	<ul style="list-style-type: none"> Jio BlackRock Asset Management Private Ltd, 50:50 joint venture between Jio Financial Services Ltd (JFSL) and BlackRock has received regulatory approval from the Securities and Exchange Board of India (SEBI) to start operations as an investment manager for its mutual fund business in India. JioBlackRock aims to offer an innovative investment proposition to Indian retail mutual fund investors and institutional investors. The company plans to launch a range of investment products utilizing BlackRock's expertise in data-driven investing. Sid Swaminathan has been appointed as the Managing Director (MD) & Chief Executive Officer (CEO) of JioBlackRock Asset Management. This move marks an important step in expanding India's mutual fund industry and increasing retail and institutional investor participation.
7.	Securities and Exchange Board of India likely to relax F&O position limits for structured products and market-linked debentures (MLDs)	<ul style="list-style-type: none"> Market Regulator Securities and Exchange Board of India (SEBI) is considering exempting the proposed long delta end-of-day position limits in index options specifically for structured products and market-linked debentures (MLDs). Key Highlights : Structured products or MLDs are pre-packaged investments linked to an index or basket of securities, combining debt and equity derivatives used primarily for hedging. The structured products/MLDs industry is estimated to be worth nearly ₹30,000–40,000 crore, including listed MLDs. Issuers of MLDs and structured products have made representations to SEBI seeking exemptions from proposed exposure caps, arguing that limits may hinder genuine hedging and cause unnecessary unwinding of positions. SEBI is in discussions with such entities and is expected to give relaxations in addition to increasing the proposed delta long gross limits. As a matter of principle, SEBI agrees that hedging tools should not have stringent limits to avoid harming legitimate market activity. SEBI plans to revise the proposed limits to: <ul style="list-style-type: none"> Gross limits: ₹10,000 crore End-of-day limit: ₹1,500 crore on a delta-based gross interest SEBI is likely to remove the earlier proposed intraday net limit of ₹1,000 crore and gross limit of ₹2,500 crore. Instead, SEBI will strengthen monitoring by stock exchanges to prevent market manipulation. Earlier (February, 20225), SEBI had proposed: <ul style="list-style-type: none"> Net end-of-day future equivalent limit: ₹500 crore Gross limit: ₹1,500 crore Currently, there is a net limit of ₹500 crore but no gross limit.




Other Important Banking Related Current Affairs

- In FY25, **foreign banks** like **HSBC** and **American Express** emerged as top performers in **net credit card additions**, according to **RBI data**. HSBC added **216,997 cards**, while Amex added **107,086**, reversing past declines and capitalizing on India's **growing digital payment ecosystem**. The overall **banking industry added 8 million+ cards**, underscoring a **surge in consumer credit demand** and the revival of **foreign players' retail banking** ambitions in India.
- India's sovereign credit profile received a **notable boost** from **Morningstar DBRS** on May 9, 2025, with both long-term and short-term ratings being upgraded. This reflects India's successful navigation through **structural reforms, digital transformation, and fiscal consolidation**, all while maintaining **high growth and macroeconomic stability**. The report also suggests that with further reforms and reduced debt, India's rating could climb even higher.
- In FY25, **Public Sector Banks (PSBs)** in India achieved a **record cumulative profit** of **₹1.78 lakh crore**, driven largely by the **State Bank of India (SBI)** which alone contributed over **40%** of the total. The **profit growth of 26%** over FY24 underscores the success of the **government's 4R reform strategy—Recognising NPAs, Resolution, Recapitalisation, and Reforms**. This financial turnaround, from a **loss of ₹85,390 crore in FY18** to current historic profits, highlights the impact of policy changes including **recapitalisation, bank mergers**, and emphasis on **credit discipline** and **technology adoption**.

Banking Current Affairs of April 2025

S. No.	Bank Name	Purpose
1.	Axis Bank	<ul style="list-style-type: none"> • Axis Bank, in partnership with J.P. Morgan and its blockchain unit Kinexys, has launched India's first 24/7 US dollar payment service for commercial clients, operating from GIFT City. • This real-time dollar clearing facility enhances liquidity management, reduces costs, and ensures full payment transfers without deductions. It also supports same-day settlements and benefits trade with Middle Eastern countries where Sundays are business days.
2.	Bandhan Bank	<ul style="list-style-type: none"> • In April 2025, several significant announcements were made in India's banking sector. Bandhan Bank launched the Elite Plus Savings Account for High Net-worth Individuals (HNIs), offering benefits like unlimited cash deposits and enhanced insurance coverage. • Bank of Baroda introduced the bob Square Drive Deposit Scheme, providing attractive interest rates (up to 7.80% p.a.) for senior citizens and general customers.
3.	SBI Card	<ul style="list-style-type: none"> • SBI Card has partnered with Tata Digital to launch the Tata Neu SBI Card, available in two variants: Tata Neu Plus and Tata Neu Infinity. • Both cards offer rewards (NeuCoins), with up to 10% on purchases from Tata Neu and partner brands, redeemable for groceries, fashion, and travel. Benefits include lounge access, spend-based annual fee reversal, and cashback on bill payments.
4.	State Bank of India	<ul style="list-style-type: none"> • The State Bank of India (SBI) has reintroduced its 'Amrit Vrishti' FD Scheme from April 15, 2025, with revised interest rates targeting mainly senior (7.55%) and super-senior citizens (7.65%), while the general public will earn 7.05% on a unique 444-day tenure. • Originally launched in July 2024 and closed in March 2025, the scheme returns with no fixed deadline, aiming to ensure secure, high-return investment options for the elderly under SBI's senior citizen-focused financial products.
5.	Punjab National Bank	<ul style="list-style-type: none"> • On its 131st Foundation Day (April 12, 2025), Punjab National Bank (PNB) launched 34 new products and services to enhance financial inclusion, digital banking, and cybersecurity awareness. • Key highlights include 12 deposit schemes for diverse groups like women, farmers, NRIs, and pensioners, and 10 digital tools such as the AI-powered assistant "Pihu" and QR-based feedback system. • The "Cyber Run" Half Marathon promoted safe digital practices under the theme "Empowering a Secure Digital India."
6.	State Bank of India	<ul style="list-style-type: none"> • The State Bank of India (SBI) has introduced a new customer engagement initiative by deploying 'Grahak Mitras' at select branches. These trained personnel, from SBI's subsidiary State Bank Operations Support Services (SBOSS), assist customers with digital banking and self-service platforms, aiming to decongest branches and promote alternate banking channels.





RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) celebrates its 90th anniversary in 2025, marking nine decades of financial governance and monetary policy regulation. Established on April 1, 1935, under the RBI Act, 1934, it was nationalized in 1949. Key milestones include economic liberalization in 1991, and recent advancements in digital payments and financial inclusion. The first Governor was Sir Osborne Smith, while Sir C.D. Deshmukh was the first Indian Governor.
2.	Reserve Bank of India	<ul style="list-style-type: none"> On April 2, 2025, the Reserve Bank of India (RBI) announced that 98.21% of Rs 2000 banknotes have been returned to the banking system, with only Rs 6,366 crore still in public hands. Following the RBI's decision to withdraw Rs 2000 notes from circulation, first announced on May 19, 2023, the notes' circulation has significantly declined since their introduction in November 2016 post-demonetization.
3.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) will transition 500 financially weak Urban Co-operative Banks (UCBs) from the Supervisory Action Framework (SAF) to the Prompt Corrective Action (PCA) framework starting April 1, 2025. This shift aims to enhance regulatory oversight, ensure early intervention, and restore financial stability.
4.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has issued new guidelines for Government of India-guaranteed Security Receipts (SRs) by Asset Reconstruction Companies (ARCs) to enhance bad loan resolution and financial stability. Key provisions include reversal of excess provisions to P&L accounts, stricter capital treatment by deducting non-cash SRs from CET1 capital, and a revised valuation methodology requiring periodic valuation based on Net Asset Value (NAV) and recovery ratings.
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has revised ATM withdrawal charges, increasing the fee from Rs 21 to Rs 23 per transaction for withdrawals exceeding the monthly free limit, effective May 1, 2025. Customers will still get five free transactions at their own bank's ATMs, three at other banks' ATMs in metros, and five in non-metros. The revised charges also apply to cash recycler machines, except for cash deposits. This change aims to compensate banks for rising ATM maintenance costs.
6.	Reserve Bank of India	<ul style="list-style-type: none"> Reserve Bank of India (RBI) announced it will retain the existing Foreign Portfolio Investor (FPI) investment limits for the financial year 2025-26. The caps include 6% for Central Government Securities (G-Secs), 2% for State Development Loans (SDLs), and 15% for corporate bonds. This decision aims to maintain a stable and predictable investment environment for foreign investors in India's debt markets. For April – September 2025, the investment limits are set at ₹2.79 trillion for G-Secs and ₹8.22 trillion for corporate bonds.
7.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> Reserve Bank of India (RBI) authorized NPCI to revise UPI Person-to-Merchant (P2M) transaction limits, allowing greater flexibility for evolving user needs and merchant use cases, while keeping the P2P limit unchanged at ₹1 lakh. Banks can set internal limits within NPCI's range, with exceptions for P2M transactions in sectors like education, healthcare, and credit card bill payments, now permitted up to ₹2–5 lakh. The move supports fintech innovation and digital payment adoption, with risk safeguards in place.
8.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has launched its official and verified WhatsApp channel as part of the 'RBI Kehta Hai' campaign to promote financial literacy, digital safety, and fraud prevention. This initiative delivers real-time financial updates, enhances digital trust, and ensures inclusive outreach by tapping into WhatsApp's vast user base, especially in rural and remote areas.
9.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) cancelled the license of Ajantha Urban Co-operative Bank Maryadit, Aurangabad, effective April 22, 2025, due to inadequate capital, poor earnings, and its inability to safeguard depositors' interests. The Registrar of Cooperative Societies has been directed to initiate liquidation, with depositor protection ensured under the DICGC scheme, offering up to ₹5 lakh per depositor, covering 91.55% of the bank's depositors.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
10.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has mandated all banks to migrate their web domains to the new 'bank.in' domain by October 31, 2025, to enhance cybersecurity and reduce fraud in digital banking. The migration aims to address threats like phishing attacks and increase trust in digital banking services. The Institute for Development and Research in Banking Technology (IDRBT) will serve as the exclusive registrar for the new domain, while the National Internet Exchange of India (NIXI) and the Ministry of Electronics and Information Technology (MeitY) will support the initiative.
11.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has issued revised guidelines permitting minors aged 10 and above to independently open and operate savings and term deposit accounts, aiming to foster early financial literacy. While guardian-operated accounts remain an option for all minors, banks may allow independent operation based on their risk management policy, ensuring no overdraft and maintaining a credit balance at all times.

SEBI News

S.No	Announcement	Key Details
1.	SEBI	<ul style="list-style-type: none"> SEBI has revised the cut-off timings for redemption in overnight and liquid mutual fund schemes, effective June 1, 2025, under its Upstreaming Framework (Dec 2023) to enhance client fund safety. For offline mode, the cut-off is 3:00 PM, while for online mode (overnight funds only), it's extended to 7:00 PM for same-day NAV. This move, backed by AMFI and SEBI's Mutual Funds Advisory Committee, ensures smoother collateral use and tighter fund security, directly impacting returns based on redemption timing.

Banking Current Affairs of March 2025

S. No.	Bank Name	Purpose
1.	YES BANK	<ul style="list-style-type: none"> YES BANK partnered with the World Trade Center (WTC) Mumbai to host the Export Conclave 2025 at YES BANK House, focusing on empowering MSMEs, enhancing India's export ecosystem, and discussing trade trends, challenges, and global market opportunities. The event highlighted trade facilitation, financial support, and innovation in export services.
2.	Bank of Baroda	<ul style="list-style-type: none"> Bank of Baroda has received the ISO 22301:2019 Business Continuity Management System (BCMS) certification from the British Standards Institution (BSI), highlighting its commitment to operational resilience, business continuity planning, and risk management. The certification recognizes the bank's strategies to mitigate risks, minimize disruptions, and ensure swift recovery during crises.
3.	City Union Bank	<ul style="list-style-type: none"> City Union Bank (CUB) has partnered with Chennai Super Kings (CSK) to launch a co-branded credit card offering exclusive rewards, special offers, and unique cricket-related experiences for CSK fans, enhancing their purchasing experience and team spirit.
4.	State Bank of India	<ul style="list-style-type: none"> On International Women's Day 2025, the State Bank of India (SBI) launched 'SBI Asmita', a collateral-free digital SME loan aimed at women entrepreneurs. This initiative seeks to simplify financing access for women-led MSMEs through a digital, hassle-free process. Additionally, SBI introduced the 'Nari Shakti' platinum debit card, designed for women, offering benefits across multiple categories.
5.	Bank of Baroda	<ul style="list-style-type: none"> Bank of Baroda (BoB) introduced the 'bob Global Women NRE & NRO Savings Account', a first among public sector banks, designed specifically for women NRIs. This account offers premium banking privileges, concessional loan rates, and insurance benefits to empower women. Additionally, BoB revamped its 'bob Premium NRE & NRO Savings Account' to enhance the customer experience with new features and benefits.





S. No.	Bank Name	Purpose
6.	ICICI Bank	<ul style="list-style-type: none"> ICICI Bank has appointed Kamal Wali as the new Head of its Security Operations Center to strengthen cybersecurity and risk mitigation. With over 18 years of experience, he will lead security strategies to enhance the bank's digital infrastructure and safeguard customer data amid evolving cyber threats.
7.	City Union Bank	<ul style="list-style-type: none"> City Union Bank (CUB) has partnered with Sunrisers Hyderabad (SRH) as its exclusive banking partner. The collaboration offers customised financial solutions, exclusive offers, and enhanced digital banking services to SRH fans, players, and staff, strengthening CUB's presence in the sports sector.
8.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) is setting up a specialized unit to manage project financing for emerging industries like AI, e-commerce, and fintech. This initiative aims to diversify SBI's project finance operations beyond traditional sectors. The project is expected to be completed within a year, with plans to recruit specialized professionals and appoint an external consultant.
9.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) is setting up a specialized unit to manage project financing for emerging industries like AI, e-commerce, and fintech. This initiative aims to diversify SBI's project finance operations beyond traditional sectors. The project is expected to be completed within a year, with plans to recruit specialized professionals and appoint an external consultant.

RBI News

RBI's 'Regulations at a Glance': Key Insights for Cooperative Banks

The Reserve Bank of India (RBI) has released the "Regulations at a Glance" handbook, compiled by the Department of Regulation (DoR), to offer a broad overview of key regulatory guidelines applicable to various banking entities, including cooperative banks. The handbook summarizes major regulations in a tabular format for easy reference but does not replace official circulars, Master Circulars, or Master Directions.

This article highlights essential regulatory provisions applicable to cooperative banks as outlined in the handbook.

Key Regulations for Cooperative Banks

1. Licensing of New Institutions

Urban Cooperative Banks (UCBs)

- Minimum paid-up capital/net worth: ₹12.5 lakh – ₹4 crore (depending on location and population size).
- Note: RBI has stopped accepting fresh applications for new UCBs since 2004.

Rural Cooperative Banks (StCBs & CCBs)

- Declared as State Cooperative Banks (StCBs) or Central Cooperative Banks (CCBs) by the state government.
- RBI grants licenses based on NABARD's recommendations and internal assessment.

Promoters' Criteria

- Evaluated on educational qualifications, professional competence, financial strength, capital mobilization ability, and membership eligibility.

2. Branch Licensing

Urban Cooperative Banks (UCBs)

- Automatic Route: UCBs classified as Financially Sound and Well Managed (FSWM) can open branches up to 10% of existing branches (min. 1, max. 5).
- Approval Route: FSWM UCBs must submit an Annual Business Plan (ABP) to RBI's regional office by December 15.

State Cooperative Banks (StCBs)

- Require NABARD & RBI approval with conditions like:
- CRAR ≥ 9%, NNPA ≤ 5%, compliance record, and no penalties in last two years.





District Central Cooperative Banks (DCCBs)

Additional requirements,

- Operational for at least 3 years and net profit in last 2 years.
- Not under RBI restrictions.

3. Governance Framework

Regulated by

- State/Central Cooperative Society laws.
- Banking Regulation (BR) Act, 1949 (since 2020).

Key Provisions

- UCBs must form an Audit Committee of the Board.
- Fit and proper criteria for directors, MD/CEO, and WTD.
- Maximum continuous tenure limits for directors.
- Larger UCBs must appoint an independent Chief Risk Officer (CRO).
- NABARD issues governance guidelines for rural cooperative banks.

4. Credit Risk Management

Urban Cooperative Banks (UCBs)

- Loan against shares, bonds, and debentures: Max ₹10 lakh, LTV 50%.

Rural Cooperative Banks

- Loan against shares, bonds, and debentures: Max ₹5 lakh, LTV 50%.

Securitization of Standard Assets

- Allowed for SCBs, AIFIs, and NBFCs.
- Not allowed for RRBs and Cooperative Banks.

5. Interest Rate Framework & Deposit Pricing

General Principles

- Uniform interest rates across all branches/customers.
- No discrimination in deposit rates for similar amounts and dates.
- No negotiation of interest rates with individual depositors.
- NRE/NRO deposit rates cannot exceed domestic deposit rates.

6. Mergers & Amalgamations

Key Provisions

- Governed by the Banking Regulation (BR) Act, 1949.
- RBI has discretionary power under Section 44A to approve voluntary amalgamations.
- **Private Bank Mergers:** Must be approved by shareholders (2/3rd majority) before submission to RBI.
- **UCB Mergers:** Considered only if depositors' funds are fully protected.

7. Resolution of Banking Companies & Cooperative Banks

Compulsory Amalgamation/Reconstruction

- RBI can apply to the government for restructuring under Section 45 of the BR Act.
- Section 45(4) (2020 Amendment): RBI can initiate amalgamations during a moratorium or at any other time.

Powers of RBI

- **Section 10B:** Remove Chairman/MD of a banking company.
- **Section 36ACA:** Supersede the board of banking companies.
- **Section 35A:** Issue directives for proper banking management.
- **Section 22(4):** RBI can cancel banking licenses (appeals go to the Central Government within 30 days).

Post-License Cancellation

- **Banking companies:** High Court appoints liquidator.
- **Uni-state cooperative banks:** Registrar of Cooperative Societies appoints liquidator.
- **Multi-state cooperative banks:** Central Registrar appoints liquidator.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
1.	RBI	<ul style="list-style-type: none"> The RBI imposed monetary penalties on HSBC (₹66.6 lakh) for violations related to KYC norms, foreign currency exposures, and deposit interest rate rules, and on IIFL Samasta Finance (₹33.1 lakh) for issues including interest charges before loan disbursement, NPA misclassification, and customer identification. Additionally, three cooperative banks in Maharashtra were penalized for regulatory non-compliance.
2.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has kept the window open for the exchange and deposit of ₹2000 denomination notes, despite 98.18% of the total value being returned to the banking system. This ensures that individuals still holding these notes have accessible channels for deposit or exchange.
3.	Reserve Bank of India	<ul style="list-style-type: none"> On March 3, 2025, the Reserve Bank of India (RBI) appointed Dr. Ajit Ratnakar Joshi as its new Executive Director (ED). He will oversee the Department of Statistics and Information Management and the Financial Stability Department. With over 30 years of experience in statistics, information technology, and cyber risk management, Dr. Joshi brings extensive expertise to his new role.
4.	Reserve Bank of India	<ul style="list-style-type: none"> The 29th Meeting of the Standing Advisory Committee (SAC), chaired by Swaminathan J, Deputy Governor of the Reserve Bank of India (RBI), focused on enhancing credit access to the Micro, Small, and Medium Enterprises (MSME) sector. Key initiatives discussed included promoting the Unified Lending Interface (ULI), expanding the Account Aggregator framework, and testing innovative solutions through the Regulatory Sandbox. Challenges like financial literacy gaps, information asymmetry, and delayed payments were addressed to ensure transparency, accessibility, and support for MSMEs' growth.
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has imposed monetary penalties totaling ₹76.6 lakh on four Non-Banking Financial Companies (NBFCs) for non-compliance with regulatory norms. The penalties were issued under Section 58G of the RBI Act, 1934, and Section 30 of the Payment and Settlement Systems Act, 2007. The violations included issues with governance, reporting requirements, fair lending practices, capital adequacy, and fraud risk management. This action underscores the RBI's commitment to financial discipline, consumer protection, and strengthening compliance in the NBFC sector.
6.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) and the National Centre for Financial Education (NCFE) have launched nationwide financial literacy campaigns under the National Strategy for Financial Education (NSFE). These initiatives aim to promote financial awareness and inclusion, targeting diverse groups, especially youth (below 18 years) and senior citizens (above 60 years), to empower them with essential financial knowledge and skills.
7.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has introduced a framework to recognize a Self-Regulatory Organisation (SRO) for the Account Aggregator (AA) ecosystem, aiming to streamline financial data exchange, address operational challenges, and ensure compliance. This initiative enhances coordination, standardization, and dispute resolution within the AA framework, building on the 2016 AA framework and the recent recognition of the Fintech Association for Consumer Empowerment as an SRO in 2024.
8.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) reported a rise in its net short position in the forward book, reaching \$77.5 billion by January 2025, up from \$67.9 billion in December 2024. This increase reflects the forex market interventions amid rupee depreciation and global trade uncertainties. The data was released in RBI's March 2025 monthly bulletin.
9.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) and the Bank of Mauritius (BOM) have signed a Memorandum of Understanding (MoU) to enable cross-border transactions using the Indian Rupee (INR) and Mauritian Rupee (MUR). This agreement aims to reduce costs and improve efficiency for exporters and importers by settling transactions in their domestic currencies, strengthening economic and financial ties between India and Mauritius.




Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
10.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has won the Digital Transformation Award 2025 from Central Banking, London for successfully implementing its in-house digital initiatives, Pravaah and Sarathi. These advancements have improved workflow management, regulatory processes, and operational efficiency, reducing reliance on paper-based submissions.

SEBI News

S.No	Announcement	Key Details
1.	SEBI	<ul style="list-style-type: none"> SEBI recorded a 48% YoY growth in total income, reaching ₹2,075 crore in FY 2023-24, driven by higher fees and subscriptions from stock exchanges, market participants, and companies. While investment and other income also increased, total expenditure rose to ₹1,006 crore. SEBI reported substantial funds in its General Fund, Investor Protection & Education Fund (IPEF), and Disgorgement Fund, highlighting its strong financial position.
2.	SEBI	<ul style="list-style-type: none"> SEBI has reduced the minimum investment for Zero Coupon Zero Principal (ZCZP) instruments on the Social Stock Exchange (SSE) from ₹10,000 to ₹1,000. This decision aims to boost retail participation and increase funding for non-profit organizations (NPOs), especially in sectors like education and healthcare. The change, effective immediately, modifies SEBI's directive from September 19, 2022, to strengthen social impact investment in India.
3.	Securities and Exchange Board of India (SEBI)	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has partnered with DigiLocker to simplify access to investors' securities holdings and reduce unclaimed assets in the market. This initiative allows investors to store and retrieve demat holdings, mutual fund statements, and Consolidated Account Statements (CAS) through DigiLocker. SEBI also introduced a nomination facility for appointing legal heirs, ensuring smooth asset transition and improving investor protection and financial transparency.

Economy/Business Current Affairs
Economy/Business Current Affairs of August 2025
GDP & GROWTH RATE as per August 2025

- Fitch Ratings** has revised India's **FY26 GDP growth forecast** to **6.3%**, citing steady demand from **infrastructure spending** but cautioning against risks from **US tariffs** and redirected global supply. While **cement**, **power**, **construction**, and **petroleum** are set to benefit, **export-driven sectors** like **IT**, **auto components**, and **pharma** may face headwinds due to tariff uncertainty. **Telecom**, **oil & gas**, **utilities**, and **construction** remain relatively insulated. Fitch also noted India's strong stance in **trade negotiations** with the US over **agriculture and dairy concessions**.
- The **Income Tax Department** has awarded the **₹811.5 crore PAN 2.0 project** to **LTIMindtree Ltd**, aiming to **digitally transform PAN and TAN management**. Cleared in

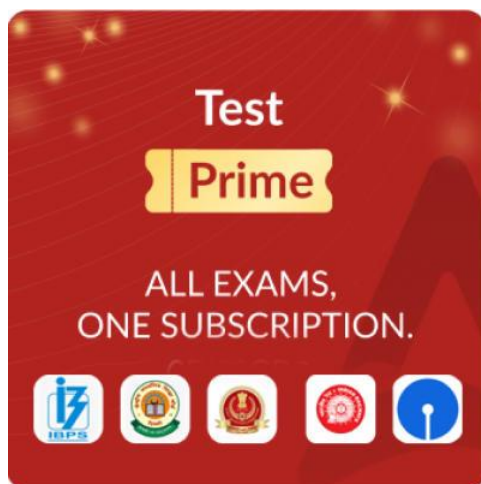
November 2024 and scheduled to go live in **18 months**, the project will enhance **security**, **efficiency**, and **taxpayer convenience**, handling services like **Aadhaar-PAN linking**, **allotment**, **reissuance**, and **validation** on a unified digital platform.

- India has uncovered **₹7 trillion in GST evasion** across **91,000 cases** between **April 2020** and **March 2025**, according to **Minister of State for Finance Pankaj Chaudhary**. Of this, only **₹1.29 trillion** has been **voluntarily paid back** by taxpayers. Notably, **₹1.78 trillion** is linked to **fake input tax credit (ITC)**, with just **7% recovery**. The rise in evasion coincides with the government's deployment of **advanced tech tools**—including **e-invoicing**, **risk-based audits**, **facial recognition**, and **E-way bill tracking**—which have significantly strengthened **GST compliance** and **fraud detection**.





- India's **services sector** surged to an **11-month high** in **July 2025**, with the **HSBC India Services PMI** rising to **60.5**, up from 60.4 in June, according to **S&P Global**. This marks the **48th straight month of growth**, driven by **robust international demand** and **steady domestic sales**. The **finance and insurance sectors** led the growth, while **real estate and business services** lagged due to cautious spending.
- Deloitte India** has forecasted India's economic growth to range between **6.4% and 6.7%** for the fiscal year 2025-26, building on a solid growth rate of 6.5% in 2024-25. This optimistic outlook is anchored by resilient domestic demand, easing inflation, and strategic global trade initiatives. A dynamic consumer base, resilient capital markets, and a globally competitive workforce. Ongoing and upcoming trade talks with the **UK, US, and European Union** are expected to enhance market access, income, and employment opportunities.
- The **RBI** has kept the **repo rate unchanged at 5.5%** during the **Monetary Policy Committee (MPC)** meeting held on **August 4–6, 2025**, maintaining a **neutral stance**. The **Standing Deposit Facility (SDF)** stands at **5.25%**, and both the **Marginal Standing Facility (MSF)** rate and the **Bank Rate** remain at **5.75%**. This decision follows a **100 bps rate cut** since February and comes ahead of the **festive season**. The **FY26 GDP growth forecast** is retained at **6.5%**, while inflation is projected at **3.1%**, down from **June's 3.7%**, though **CPI** may rise to **4.9% in FY27**.
- Goldman Sachs** has trimmed India's **GDP growth forecast** to **6.5% for 2025** and **6.4% for 2026**, citing concerns over **US-India trade tensions** after **President Trump's 25% tariffs** on Indian goods. While the investment bank expects some **tariffs may be negotiated**, it warns that the main risk lies in **policy uncertainty**, which could hurt **investor confidence**. On inflation, **forecasts have been lowered to 3.0%**, driven by easing **vegetable prices**, though Goldman cautions that such **low inflation is rare** in India and remains **vulnerable to shocks**.



ECONOMY NEWS

- Karnataka's **GST evasion** surged to **₹39,577 crore** in FY25, over **five times** higher than the previous year, with **1,254 cases** and **9 arrests**. Voluntary tax payments totaled **₹1,623 crore**. Finance Minister **Nirmala Sitharaman** clarified that **CGST authorities did not issue notices based solely on UPI transactions**, which were sent by state GST offices affecting mainly small traders. This marks a sharp rise in **tax evasion detection** compared to ₹7,202 crore in FY24 and ₹25,839 crore in FY23, highlighting increased efforts to curb evasion while addressing traders' concerns.
- India** is poised to become the **world's most sought-after consumer market**, according to **Morgan Stanley**, driven by a **major energy transition**, rising **credit-to-GDP ratio**, and increased **manufacturing share in GDP**. Key factors include **lower oil intensity**, growing exports (especially services), **fiscal consolidation**, and **declining inflation volatility**, all contributing to **macro stability**, **lower real interest rates**, and a **shift in household investments toward equities**. Catalysts for further growth include a potential **US trade deal**, **capex boosts**, **loan acceleration**, and **improving trade with China**.
- The **Centre** has proposed a **two-slab GST overhaul** with **5% and 18% rates**, alongside a **40% tax on sin goods** like **tobacco and pan masala**, aiming to **simplify the tax structure**, **boost consumption**, and **ease compliance**. Key changes include shifting most **common-use goods** from 12% to 5%, and **aspirational items** like TVs from 28% to 18%. The reform also includes **structural fixes** like correcting **inverted duty structures**, **streamlining classifications**, **faster registrations**, and **automated refunds**, with implementation likely by **Q3 FY 2025-26**.
- India's **merchandise exports** rose **7.3% to \$37.24 billion** in **July 2025**, driven by growth in **engineering goods, gems and jewellery, electronics, pharmaceuticals, and chemicals**. Notably, **electronics exports surged 34%** to \$3.77 billion. However, imports increased by **8.6% to \$64.59 billion**, pushing the **trade deficit to an eight-month high of \$27.35 billion**. From April to July, exports grew to \$149.20 billion, imports to \$244.01 billion, and total goods and services exports reached \$277.63 billion, up 5.23% year-on-year.
- Bank credit growth** has **slowed to 1.4% in FY26**, down from 2.3% last year, while **deposit growth remains steady at 3.4%**. According to RBI data, year-on-year, deposits rose **10.2%** and advances **10%** by July 25. The slowdown in credit is mainly due to **weaker corporate demand**, as companies shift toward **market instruments like bonds**. Despite **rate cuts**, **housing loan demand** hasn't picked up significantly, though overall **financial flows to the commercial sector** have increased.





- India's **foreign exchange reserves** rose by **\$4.74 billion** to reach **\$693.62 billion** as of August 8, 2025, driven by increases in **foreign currency assets (\$2.37 billion)**, **gold reserves (\$2.16 billion)**, **special drawing rights (\$169 million)**, and the country's **IMF reserve position (\$45 million)**. Despite a recent dip from a record high of \$704.885 billion in September 2024, the Reserve Bank of India continues to monitor and manage the forex market to maintain **exchange rate stability** and prevent sharp rupee depreciation.
- India's **net direct tax collection** for FY26 fell **3.95% to ₹6.64 lakh crore**, mainly due to a **10% rise in refunds** totaling ₹1.35 lakh crore, despite a smaller **1.87% dip in gross collections**. Key components include **corporate tax (₹2.29 lakh crore)**, **non-corporate tax (₹4.12 lakh crore)**, and **Securities Transaction Tax (₹22,362 crore)**, with the government targeting a **12.7% increase** in total direct tax collections to ₹25.20 lakh crore.
- India's **retail inflation** dropped to an **8-year low of 1.55% in July 2025**, mainly due to a sharp fall in **food prices** (food inflation at -1.76%). This is the first time inflation fell below the RBI's target band in over six years. Despite a recent rise in **fuel prices (2.67%)**, the RBI kept the **repo rate steady at 5.50%**, maintaining a **neutral stance** with an FY26 inflation projection of **3.1%**. The decline offers the RBI flexibility to support growth amid global trade tensions and economic challenges.
- The **US decision to impose a 25% tariff** on Indian goods is projected by **SBI Research** to reduce **India's FY26 GDP growth by 25–30 bps**. The tariff will mainly affect **electronics, gems and jewelry, pharmaceuticals, and machinery**, which together make up nearly **half of India's exports to the US**. While this creates **deflationary pressures**, India's **diversified export base** and support from **PLI schemes and GST reforms** may cushion the impact. Experts believe that the **US economy faces higher risks** than India due to this move.
- India's **palm oil imports fell 10% in July 2025**, totaling **858,000 tons**, due to **contract cancellations**, while **soybean imports surged 38% to 495,000 tons**, the highest in three years, aided by **delayed shipments and competitive prices**. With **sunflower oil imports down 7%**, India's **total edible oil imports still rose 1.5% to 1.53 million tons**, the highest since November.
- India's **tea production dropped 9% in June 2025 to 133.5 million kg**, compared to **146.72 million kg** in June 2024, due to **adverse weather and pest infestations**. Output from both **North and South India** fell, impacting **big planters and small growers alike**. The fall was evident across all major tea types, including **CTC, orthodox, and green tea**, raising concerns for the industry.
- In a strategic move to boost its **value-added product portfolio**, **JSW Steel Limited** has committed **₹5,845 crore** to expand **Cold Rolled Grain-Oriented (CRGO)** steel manufacturing in collaboration with **JFE Steel Corporation** of Japan. This expansion includes increasing the **Nashik facility's capacity from 50,000 TPA to 250,000 TPA** at a cost of **₹4,300 crore**, and upgrading the **Vijayanagar unit in Karnataka from 62,000 TPA to 100,000 TPA** with **₹1,545 crore** investment.
- The **Business Confidence Index (BCI)** surged to **149.4** in the first quarter of fiscal year 2025-26 (April-June), up from **139.3** in the previous quarter, according to the **National Council of Applied Economic Research (NCAER)**. This jump reflects strong optimism among Indian businesses about the near-term economic outlook. **Positive expectations across key indicators**, 78.7% of firms expect production to increase. 79.1% anticipate higher domestic sales. 66.5% foresee growth in exports of final products. 54.3% expect increased imports of raw materials, signaling growth in domestic production. Nearly 61% expect pre-tax profits to rise.
- In a major international expansion move, **Tata Motors** has announced its **largest acquisition since Jaguar Land Rover (2008)** by agreeing to acquire **Italian commercial vehicle manufacturer Iveco** for **€3.8 billion** (excluding its defence

BUSINESS NEWS

- India's **UPI platform** reached an **all-time high in July 2025** with **1,947 crore transactions worth ₹25.1 lakh crore**, showing a **35% rise in volume** and a **22% growth in value** year-on-year. With **62.8 crore daily transactions** and deeper reach into **Tier-2 and Tier-3 cities**, UPI continues to dominate India's **cashless economy**, driven by **innovations like credit on UPI, recurring payments, and strong government support**.
- The **India Post Payments Bank (IPPB)** has rolled out **Aadhaar-based face authentication nationwide**, allowing customers to conduct **banking transactions using facial recognition** without fingerprints or OTPs. Developed under **UIDAI**, the feature enhances **financial inclusion and digital security**, especially benefiting the **elderly, differently-abled, and those with worn fingerprints**, while ensuring safe banking during **health emergencies**.
- Following the resignation of **MD & CEO Girish Kousgi**, **PNB Housing Finance** has appointed **Jatul Anand as Executive Director** and **Valli Sekar as Chief Business Officer — Affordable Business**. While Kousgi will step down officially on **October 28, 2025**, he will assist with the transition. Despite an **18% fall in share price**, the company reaffirmed its focus on **growth, asset quality, and margins**, even as it faces the challenge of multiple senior-level exits.





business). This also marks the **Tata Group's biggest deal since acquiring Corus** in 2007. The acquisition aims to merge the **complementary capabilities** of both companies, with minimal **overlap in geographies or industrial assets**, resulting in a **diversified commercial vehicle giant** with **combined sales of over 540,000 units annually** and revenues of **€22 billion**. The deal gives Tata Motors a stronghold across **Europe (50%), India (35%), and the Americas (15%)**, and strengthens its position in **emerging markets in Asia and Africa**.

- India's **electronics exports** soared over **47% year-on-year** to **\$12.4 billion** in Q1 FY26, driven largely by a **55% surge in mobile phone exports**, according to the **India Cellular and Electronics Association (ICEA)**. **Non-mobile electronics**, including **solar modules, networking equipment, and chargers**, also grew by **37%**. With momentum building, ICEA projects **FY26 exports** to hit **\$46–50 billion**, up from **\$38.6 billion** in FY25. Chairman **Pankaj Mohindroo** emphasized the need for a **domestic supply chain** and **globally competitive Indian brands** to ensure long-term **electronic sector sovereignty** and **value addition**.
- **Tata AutoComp Systems** has signed an agreement to fully acquire the Slovakia-based **IAC Group** through its British subsidiary, **Artifex Interior Systems Limited**. While the company has not revealed the financial details, the acquisition involves a conditional agreement to purchase 100% of IAC Group's share capital, expanding Tata AutoComp's global footprint in the auto components sector.
- India's **soybean imports** are set to rise by **60%** in 2024/25 to a record **5.5 million tons**, driven by **cheaper prices** compared to palm oil. Meanwhile, **palm oil imports** are expected to drop **13.5%** to a five-year low of **7.8 million tons**, and **sunflower oil imports** may fall **20%** to **2.8 million tons**. This shift will increase India's total **edible oil imports** by about **1%** to **16.1 million tons**, impacting **global vegetable oil markets** by boosting soybean prices while pressuring palm oil futures.
- The **Department of Investment and Public Asset Management (DIPAM)** has appointed **merchant bankers and legal advisers** for three years to manage **minority stake sales** in **LIC, public sector banks (PSBs), and insurance firms** at suitable times. This move supports the government's aim to meet **SEBI's minimum public shareholding (MPS)** norm of **10%**, especially for LIC, which currently has only **3.5% public float**. The Centre may sell small stakes in LIC and up to five PSBs, and plans to make LIC eligible for **benchmark indices** by increasing its public float, boosting long-term investment potential.

- **Jio Financial Services (JFSL)** has launched a **paid tax planning and filing feature** on its **JioFinance app**, developed in partnership with **TaxBuddy**. The module offers both **self-service (starting at ₹24)** and **expert-assisted (from ₹999)** tax filing options, aiming to simplify **ITR filing** and improve **deduction accuracy**. Key tools include a **tax planner** for projecting and reducing future liabilities, **regime comparisons**, and guidance on **deductions under sections like 80C and 80D**, helping users save money and avoid dependence on costly intermediaries.
- India is poised to become the **world's most sought-after consumer market**, according to **Morgan Stanley**, driven by a **major energy transition**, rising **credit-to-GDP ratio**, and increased **manufacturing share in GDP**. Key factors include **lower oil intensity, growing exports (especially services), fiscal consolidation, and declining inflation volatility**, all contributing to **macro stability, lower real interest rates, and a shift in household investments toward equities**. Catalysts for further growth include a potential **US trade deal, capex boosts, loan acceleration, and improving trade with China**.
- India's **merchandise exports** rose **7.3%** to **\$37.24 billion** in **July 2025**, driven by growth in **engineering goods, gems and jewellery, electronics, pharmaceuticals, and chemicals**. Notably, **electronics exports surged 34%** to **\$3.77 billion**. However, imports increased by **8.6%** to **\$64.59 billion**, pushing the **trade deficit to an eight-month high of \$27.35 billion**. From April to July, exports grew to **\$149.20 billion**, imports to **\$244.01 billion**, and total goods and services exports reached **\$277.63 billion**, up **5.23%** year-on-year.
- **BEML Limited**, a state-owned Indian company, has secured its **first overseas rail-metro contract** from **Malaysia**, valued at **USD 1 million**, for the **retrofit and reconditioning** of their **Mass Rapid Transport System**. This milestone coincides with BEML's expansion, including a new **warehousing facility in Bengaluru** supporting aerospace growth. BEML, under the Ministry of Defence, operates across **defence, rail and metro, mining, and construction** sectors, with advanced manufacturing and R&D facilities across India.
- India's **exports to the US** rose **19.94%** to **\$8.01 billion** in **July 2025**, while **imports increased 13.78%** to **\$4.55 billion**, making the **US India's top trading partner** during **April–July FY26**, with **exports reaching \$33.53 billion (↑21.64%)** and **imports \$17.41 billion (↑12.33%)**. India also recorded **strong export growth to China (↑27.39% in July)**, while trade declined with countries like the **Netherlands, Singapore, and Australia**. A **bilateral trade agreement** with the US is under negotiation, with the **6th round of talks scheduled for August 25**.





- The **International Finance Corporation (IFC)** has committed **\$150 million** to the **H-DREAM Fund** managed by **HDFC Capital Advisors** to develop **25,000 green-certified affordable and mid-income homes** in India. This investment aims to mobilize up to **\$850 million** from institutional investors, supporting sustainable housing projects certified under **EDGE** standards. The fund targets India's significant affordable housing gap, estimated at **18 million units** in Tier-I and Tier-II cities, promoting energy efficiency and bridging the real estate shortfall.
- At the **19th China Brand Festival** held in **Shenzhen**, the **TopBrand 2025 "Top 500 Global Brands"** list was unveiled. **Microsoft** claimed the top spot with a brand value of **\$1,062.5 billion**, followed closely by **NVIDIA (\$1,046.8B)** and **Apple (\$997.7B)**. The rest of the **top 10** includes **Amazon, Alphabet (Google), Saudi Aramco, Walmart, Meta (Facebook), Berkshire Hathaway, and Broadcom**. **PetroChina** emerged as the **highest-ranked Chinese brand**, placing **14th**.

Economy/Business Current Affairs of July 2025

GDP & GROWTH RATE as per October 2024

- India's **external debt** rose to **\$736.3 billion** in FY25, registering a **10% growth** over the previous year, with the **external debt-to-GDP ratio** climbing to **19.1%**. Major contributors include **non-financial corporations and government borrowings**, while **US dollar-denominated loans** dominate the composition. Despite a decline in the short-term debt share, its **ratio to forex reserves increased**, raising questions about vulnerability to external shocks. The RBI also noted a **valuation effect** of **\$5.3 billion** due to currency movements.
- In **FY25**, India added **\$297 billion** to the global economy, making up **6.7%** of global **GDP growth**, according to **SBI Research**. Out of this, the **State Bank of India (SBI)** contributed **\$44 billion**, which is **1.1%** of global growth and **16%** of India's total. SBI also added **₹1.38 lakh crore** in value to India's **financial services**. This highlights the **growing importance of India** and its key institutions in the **world economy**.
- India's **retail inflation** fell to **2.1% in June 2025**, the **lowest in 77 months**, thanks to cheaper **vegetables and pulses**. **Wholesale inflation** also turned slightly negative. While food prices dropped, costs in **healthcare, transport, and gold** stayed high. The **RBI** has already cut rates this year and may wait before making more changes. Economists expect inflation to remain low, but global trends and local price changes will decide what happens next.
- India aims to raise the **tourism sector's contribution to GDP to 10% by 2047**, from the current **5–6%**, aligning with its vision of a **\$32 trillion economy**. Key types include **spiritual, adventure, medical, and cultural tourism**. Challenges such as **infrastructure gaps, environmental concerns, and lack of standardization** are being addressed through initiatives like **Swadesh Darshan, PRASHAD, and medical tourism promotion**. The government also focuses on **employment generation, e-visa facilitation, and sustainable practices** to ensure inclusive and resilient tourism growth.
- India's **core sector** grew **1.7% in June 2025**, marking a **three-month high**. Positive growth was seen in **steel (9.3%), cement (9.2%), and refinery products (3.4%)**, while **coal (-6.8%), electricity (-2.8%), and natural gas (-2.8%)** saw declines. The **April–June growth** stood at **1.3%**, reflecting an overall **sluggish industrial trend**. The **Index of Core Industries**, which represents **40.27%** of the IIP, remains a key indicator for economic planning and assessment.
- Between **March 2021 and March 2025**, **Gross NPAs dropped from 9.11% to 2.58%**, thanks to **IBC reforms, amendments to SARFAESI & DRT Acts, RBI's prudential framework, and specialized bank mechanisms**. Use of **e-auctions, valuation norms, and penalties for misvaluation** have increased **transparency and efficiency** in NPA recovery.
- **India Ratings & Research (Ind-Ra)** has cut India's **FY26 GDP growth forecast to 6.3%**, citing **global headwinds like US tariff hikes and weak investment climate**. Despite **monetary easing, low CPI inflation (expected at 3%), and above-normal rainfall** projections, sectors like **telecom and manufacturing** may see a capex slowdown. However, **power, logistics, and retail real estate** are likely to retain growth. The **RBI's target inflation of 4%** has been consistently undercut, boosting **rural demand** and easing **loan burdens**.
- India's **net FDI inflows** dropped by **98% YoY to \$35 million in May 2025**, due to **24% rise in repatriation and 11% fall in gross inflows**, as per the **RBI Bulletin**. **Singapore, Mauritius, UAE, and USA** were major sources, with inflows into **manufacturing, financial, and IT services**. **Outward FDI** rose to **\$2.1 billion**, mainly into **transport and business services**. Despite this dip, **India's FX reserves stood at \$696.7 billion**, covering **11 months of imports and 95% of external debt**.

ECONOMY NEWS

- India's **gross GST collections** surged to a **record ₹22.08 lakh crore in FY25**, marking a **9.4% growth** from the previous year and **doubling** the revenue seen in FY21. With **average monthly collections** rising and the **taxpayer base expanding** to over **1.51 crore**, the GST system has significantly contributed to **fiscal consolidation and tax transparency**. Celebrating **eight years of GST**, this achievement showcases India's success in building an **efficient, unified tax framework** that supports its economic ambitions.





- India's **state-wise GST collection** for **June 2025** saw **Maharashtra** leading with ₹30,553 crore, followed by **Karnataka** (₹13,409 crore) and **Gujarat** (₹11,404 crore), reflecting strong **industrial, commercial, and service sector** activities. Southern states like **Tamil Nadu, Telangana, and Andhra Pradesh** showed robust contributions, while **Delhi, West Bengal, and Odisha** drove revenues in the east and north. Smaller and northeastern states had modest collections, underlining their **developing economic bases** but highlighting strategic potential in **logistics, tourism, and regional consumption**.
- Over the past **11 years**, **India's income tax refunds** have grown by **474%**, touching **₹4.77 lakh crore in 2024–25**. This is mainly due to **digital improvements** that cut refund time from **93 to 17 days**. **More people are filing returns**, and the share of refunds in tax collections has also increased. The government's **online systems and reforms** have helped build a faster, more **transparent tax system**, making life easier for taxpayers.
- Between **FY16 and FY25**, **Public Sector Banks (PSBs)** wrote off **₹12.08 lakh crore** in **non-performing assets (NPAs)**, following **RBI guidelines**, yet continued **loan recovery** efforts via **DRT, SARFAESI, and IBC** routes. While **10 PSBs** reduced write-offs, **SBI and Canara Bank** saw an increase. As of March 2025, **1,629 wilful defaulters** owed over **₹1.62 lakh crore**, with assets worth **₹25,000+ crore** recovered under **PMLA and FEOA**. Moreover, **48,570 employees** are being recruited, as **PSBs maintain 96% staff coverage**, reflecting focused efforts in both asset recovery and human resource management.
- The **Asian Development Bank (ADB)** forecasts **India's GDP** to grow at **6.5% in 2025** and **6.7% in 2026**, driven by **strong domestic demand, a normal monsoon, and monetary easing**. **Inflation** is projected to stay within **RBI's target range**, with **CPI at a six-year low** in June. While the broader **Asia-Pacific outlook** has weakened due to **trade tensions and geopolitical risks**, **India remains the world's fastest-growing major economy**, according to the **Asian Development Outlook 2025**.
- India's **farm sector** has demonstrated **strong economic growth**, with its **Gross Value of Output (GVO)** rising to **₹29.49 lakh crore in FY24**, a **54.6% increase** since FY12, as per the **NSO report** released on **June 27, 2025**. This reflects the **resilience of Indian agriculture**, supported by various **government schemes** and a **diversified rural economy**. The data offers critical insight for **policymakers, economists, and agricultural planners**, reinforcing the importance of sustained **agri-investment** and **reform-oriented planning**.
- Reliance Defence and Coastal Mechanics Inc.** have announced a strategic joint venture to set up a **defence MRO facility in Nagpur**, targeting India's **₹20,000 crore upgrade market**. The venture aims to modernize critical air and land platforms like **Jaguar, MiG-29, Apache helicopters, and L-70 guns**, enhancing asset longevity. With India's **defence production hitting ₹1.46 trillion** in FY25 and **exports touching ₹24,000 crore**, this initiative supports the **Atmanirbhar Bharat** vision and may offer **future US defence contract access** through the **FMS** route.
- The Indian **commercial vehicle industry** is expected to register **3–5% growth in FY26**, as per **ICRA**, driven by a revival in **construction, infrastructure, and mining activity**. While **M&HCV and LCV truck sales** may see moderate improvement, the **bus segment** is forecasted to post the strongest gains at **8–10%**. However, **high inventory levels, geopolitical issues, and a shift toward pre-owned vehicles** are restraining factors. The outlook suggests **gradual recovery** but with **sector-specific risks**.
- India's **UPI ecosystem** recorded **18.40 billion transactions** worth **₹24.04 lakh crore in June 2025**, reflecting a **minor monthly dip** but **strong yearly growth**. Experts attribute this moderation to **seasonal effects** and believe UPI is now reaching a **mature scale**, preparing for its next expansion through **innovative use cases** like **IoT-based payments, embedded credit, and B2B transactions**. With an average of **613 million daily transactions**, UPI remains a **cornerstone of India's digital economy**.
- The **Central Board of Direct Taxes (CBDT)** has increased the **Cost Inflation Index (CII)** to **376 for FY2025–26**, allowing for higher **tax relief on long-term capital gains (LTCG)**. While the **Finance Act 2024** reduced the availability of **indexation benefits**, a **grandfathering clause** allows continued relief for taxpayers selling assets bought before **July 23, 2024**. Eligible individuals and **Hindu Undivided Families (HUFs)** can choose between a **20% indexed tax** or a **12.5% flat tax**.
- Reliance Jio** has achieved a significant milestone by becoming the **world's largest Fixed Wireless Access (FWA) provider**, surpassing **T-Mobile**. Through its **affordable Jio AirFiber broadband**, launched in **September 2023**, and rapid **5G expansion**, Jio now serves **over 20 million users**. This has revolutionized **internet accessibility** across India, especially in **rural and underserved regions**, promoting **digital inclusion**, and laying a **blueprint for global telecoms** seeking to expand in developing markets.

BUSINESS NEWS

- Adani Green Energy Ltd** has made history by becoming the first Indian company to cross **15 GW of installed renewable energy capacity**, marking a key achievement in India's clean energy journey. With flagship projects like **Khavda**, the world's largest renewable plant under development, and plans to touch **50 GW by 2030**, AGEL is setting the pace for a sustainable energy transition. In FY25 alone, it added **3,309 MW**, a national record. The company's progress reflects India's broader ambition to be a global green energy leader.





- **SAIL** has inaugurated its **first international Representative Office** in **Dubai, UAE**, marking a key step in its **global expansion**. The move aims to strengthen **India's steel exports** and enhance trade ties with the **Middle East and North Africa (MENA)** region. **Union Minister H.D. Kumaraswamy** and top officials attended the event. **Dubai** was chosen for its **strategic location**, strong infrastructure, and access to **emerging steel markets**, supporting SAIL's goal to become a **globally competitive steelmaker**.
- The **Unique Identification Authority of India (UIDAI)** recorded **229.33 crore Aadhaar authentication transactions** in **June 2025**, a **7.8% increase** from last year, signaling Aadhaar's growing role in **digital identity verification**. Cumulatively, Aadhaar has now enabled over **15,452 crore transactions** since launch. A notable highlight is the rise in **AI-powered Face Authentication**, which hit **15.87 crore transactions** in June 2025, up from **4.61 crore** in June 2024. This **secure, real-time** modality, developed by UIDAI, has now crossed **175 crore face authentications**, driving **digital inclusion** and **ease of access** to public services.
- **Microsoft** has closed its **Pakistan office** after **25 years** as part of its **global restructuring plan**. The decision was made on **July 4, 2025**, and came along with **9,100 job cuts** worldwide. The company is moving to a **cloud-based model** and depending more on **local partners**. Experts like **Jawwad Rehman** and leaders like **Arif Alvi** called the move a **troubling sign** for **Pakistan's economy** and blamed **instability** for losing business opportunities to countries like **Vietnam**.
- **Mashreq**, a top **UAE bank**, has received **IFSCA's in-principle approval** to open an **International Banking Unit (IBU)** in **GIFT City, Gujarat**, becoming the **first UAE-based bank** to do so. The branch, expected to start by **Q4 of 2025**, will offer **foreign currency loans, trade finance, and risk management services**. With support from the **UAE Central Bank** and **Indian SEZ bodies**, this step will **boost UAE-India financial relations**, improve **international banking services**, and show **confidence in India's financial hub**.
- On **July 4, 2025**, the **liquidity surplus** in India's banking system rose to **₹4.04 trillion**, its highest since **May 2022**, thanks to increased **government spending** and a **₹2.69 trillion surplus transfer** by the **RBI**. A **7-day VRRR auction** saw bids of **₹1.7 trillion**, with **₹1 trillion** accepted at **5.47%**. The **RBI's 0.50% CRR cut** earlier had also added **₹1.16 trillion** to the system. These developments show strong **bank liquidity**, likely leading to **cheaper loans** and more **credit flow** in the economy.
- **Adani Power Ltd** has acquired the **600 MW Vidarbha Industries Power Ltd** in **Butibori, Nagpur** for **₹4,000 crore**, increasing its total capacity to **18,150 MW**. The deal was approved by the **NCLT** and completed on **July 7, 2025**. The company is building several new **brownfield and greenfield power plants** and aims to reach **30,670 MW by 2029-30**. **CEO SB Khyalia** said the company remains focused on providing **reliable, affordable electricity** to support **India's development goals**.
- **Nvidia** became the **first publicly traded company** to reach a **\$4 trillion market value**, thanks to a **1,350% rise in its stock** since **October 2022**. The company now has the **largest share** in the **S&P 500**, showing its growing power in the stock market. Other tech giants like **Microsoft, Apple, and Amazon** are also close behind, with the **technology sector** now making up **one-third** of the S&P 500. This event proves how important **Nvidia** and other tech companies have become to the global economy.
- **Indian government** extended the **tax exemption for Sovereign Wealth Funds (SWFs) and Pension Funds** on their investments in India until **March 31, 2030**. This policy covers **dividends, interest, and long-term capital gains** and aims to **attract long-term foreign investment** in sectors like **telecom, logistics, and energy**. The rule was first introduced in **2020** under **Section 10(23FE)** of the **Income Tax Act**, and the latest extension was officially notified by the **Department of Revenue**. According to **NSDL**, assets held by SWFs in Indian companies have grown by **60% year-on-year**, reaching **₹4.7 lakh crore** by **April 2024**, showing strong investor confidence.
- **PhonePe** led the **UPI market** in **June 2025**, handling over **8.54 billion transactions** and securing **46.46% of the market**, as per data from the **National Payments Corporation of India (NPCI)**. It was followed by **Google Pay (35.56%)** and **Paytm (6.90%)**. While total UPI transactions slightly fell to **18.39 billion**, new apps like **Navi** and **Super.money** showed steady growth. State-wise, **Maharashtra, Karnataka, and Uttar Pradesh** contributed the most to UPI volume.
- **ACKO** has been chosen as the **official insurance partner for Tesla in India**, ahead of the electric car giant's market launch. The partnership will offer **digital insurance services** that are smooth, quick, and made especially for **Tesla owners**. This deal reflects both companies' shared goal of using **technology to simplify vehicle ownership**, promote **clean mobility**, and help grow the **electric vehicle market** in India.
- **Tesla** has inaugurated its **first India showroom** at **Mumbai's BKC**, debuting the **Model Y** at a starting price of **₹59.89 lakh**. With imported variants, rapid charging solutions, and robust safety features, **Tesla** aims to catalyze India's **electric vehicle ecosystem** despite high import tariffs and regulatory challenges. The move reinforces **Mumbai's position** as an automotive innovation hub and signals broader opportunities for **clean mobility** in India's future.
- In **July 2025**, **HSBC** exited the **Net-Zero Banking Alliance (NZBA)**, sparking backlash from **green clients** like **Ecotricity**, who questioned the bank's **climate credibility**. The move, prompted by internal concerns over bias against carbon sectors, contrasts sharply with growing global expectations for **sustainable finance**. This development puts **HSBC** at the center of a critical debate on the future of **net-zero banking, ethical investing, and the financial sector's role in climate action**.





- India's **tea exports** rose by **2.85%** in FY 2024–25 to **257.88 million kg**, led by **North India's 8.15%** growth. **South India** saw a **4.92%** decline. The **average export price** increased by **12.65%** to **Rs 290.97 per kg**, boosting value realization. In **calendar year 2024**, total exports stood at **256.17 million kg**, a **10.57%** rise
- India's **net FDI inflows** dropped by **98% YoY** to **\$35 million** in **May 2025**, due to **24% rise in repatriation** and **11% fall in gross inflows**, as per the **RBI Bulletin**. **Singapore, Mauritius, UAE, and USA** were major sources, with inflows into **manufacturing, financial, and IT services**. **Outward FDI** rose to **\$2.1 billion**, mainly into **transport and business services**. Despite this dip, **India's FX reserves** stood at **\$696.7 billion**, covering **11 months of imports** and **95% of external debt**.

Economy/Business Current Affairs of June 2025

ECONOMY NEWS

- India's **unemployment rate** rose to **5.6%** in **May 2025**, attributed largely to a **seasonal drop in rural farm employment** after the harvest. Data showed that **youth and women** were particularly affected, with **female labour force participation** falling to **27.8%**. The trend underscores persistent structural challenges in creating adequate and inclusive employment, especially in rural regions. Both **urban and rural youth unemployment** surged, drawing attention to the need for focused employment generation strategies.
- India's **core sector growth** slowed sharply to **0.7%** in **May 2025**, marking a **nine-month low**. The fall was driven by a decline in the output of **crude oil, natural gas, fertilisers, and electricity**. This marked the **second consecutive month** of core sector weakness, reflecting pressure on **industrial production**. However, **cement (+9.2%)** and **steel (+6.7%)** continued to show strength. The figures point to a need for **targeted policy support** in key **infrastructure and energy sectors** to maintain momentum.
- India's **net direct tax collection** declined by **1.39%** to ₹4.59 lakh crore in **Q1 FY26**, mainly due to **slower advance tax growth** and a **drop in corporate tax receipts**. While **gross direct tax collection** rose **4.86%**, a sharp **58% increase in tax refunds** significantly reduced the net collection base. Corporate advance tax saw modest growth of **5.86%**, while **non-corporate advance tax** declined by **2.68%**. These developments point to **early fiscal pressure** and the importance of **monitoring tax compliance** and the **pace of economic recovery**.
- On **June 24, 2025**, **S&P Global Ratings** raised India's GDP growth estimate for FY26 to **6.5%**, citing **economic resilience** amid global volatility. Key drivers for the upward revision included the expectation of a **normal monsoon**, which would support agriculture, and **lower crude oil prices**, which help **contain inflation** and **ease import costs**. The update reflects international confidence in **India's policy framework** and its **ability to sustain growth** despite external shocks.
- In Q4 FY25, **India recorded a current account surplus of \$13.5 billion**, a sharp turnaround from the previous quarter's deficit. According to **RBI data**, this surplus was driven by **strong services exports**, especially in **IT and business services**, and an increase in **remittances from abroad**. A **narrower merchandise trade deficit** and a fall in **net primary income outflows** also contributed to the surplus. Despite some moderation in **FDI inflows**, the improvement reflects a boost in **external sector stability** and overall **economic fundamentals**.
- India's **retail inflation** declined sharply to **2.82%** in **May 2025**, marking its **lowest level since February 2019**. The fall was largely driven by a significant drop in **food inflation**, which eased to **0.99%**. Prices of essential food items such as **vegetables, pulses, and meat** fell, aided by a **favourable base effect** and **government measures** like **import duty cuts**. Among states, **Kerala recorded the highest inflation**, while **Telangana reported the lowest**. Looking ahead, analysts expect the **Consumer Price Index (CPI)** to average around **4%** in **FY26**, though they caution that **monsoon performance** and **geopolitical developments** could influence price dynamics. The current data supports the **RBI's strategy to frontload rate cuts**, but it also indicates **limited scope for further easing** unless **economic growth weakens** considerably.
- In line with the trend in retail inflation, India's **wholesale price inflation (WPI)** also fell to **0.39%** in **May 2025**, down from **0.85%** in **April**, reflecting **declining prices in food, fuel, and manufactured goods**. A key contributor to the drop was the **steep deflation in vegetable prices**, which plunged by **21.62%**. This simultaneous fall in both WPI and CPI sends encouraging signals for **price stability**, reinforcing a more **accommodative monetary policy stance** and giving the **RBI more flexibility**, especially amid external uncertainties.
- Additionally, India is planning a significant **revamp of its CPI framework**, with a proposal to **update the base year to 2024** and **expand the CPI basket** to better reflect current **consumption patterns**. This revision is being informed by the **Household Consumption Expenditure Survey (HCES) 2023–24**, which analyzed data from around **407 consumption items**. The updated **CPI series** is expected to be launched by **early 2026**, replacing the existing **2012-based index**. Furthermore, the **Economic Survey 2023–24** has recommended a review of the role of food prices in the **inflation targeting mechanism**, suggesting that food may be excluded due to its **volatile supply-side behavior**. This indicates a shift toward more **structural and targeted inflation management** going forward.





BUSINESS NEWS

- **GST collections for May 2025** rose **16.4% year-on-year** to **Rs 2.01 lakh crore**, showing **strong momentum** despite being lower than **April's record** Rs 2.37 lakh crore. While **domestic GST** grew **13.7%** to Rs 1.50 lakh crore, it slowed due to reduced **year-end transactions** and shifting **consumer behavior**. In contrast, **import GST** surged **25.2%**, indicating strong **import demand**. After **refunds**, **net GST** rose **20.4%** to Rs 1.74 lakh crore, signaling **economic recovery**, as highlighted by experts from **KPMG** and **EY India**.
- **UPI transactions in May 2025** hit a **record high** with **18.68 billion transactions** worth **₹25.14 trillion**, showing **4% M-o-M** and **33% Y-o-Y growth** in volume. This surge surpasses **March 2025's** previous record, highlighting India's rapid **digital payment adoption**. **Daily transactions** rose to **602 million**, with daily value reaching **₹81,106 crore**, underscoring the **UPI ecosystem's expanding scale** and deepening **usage intensity**.
- On **1 June 2025**, the **Asian Development Bank (ADB)** unveiled a **\$10 billion initiative** for **urban transformation in India**. This 5-year plan aims to revamp **metro networks**, launch new **RRTS corridors**, and improve **urban infrastructure and services** across over 100 cities. Backed by sovereign loans, **private capital**, and the **Urban Challenge Fund (UCF)**, the project also includes **\$3 million in technical assistance** for project planning. ADB emphasized skill development, women's empowerment, and **inclusive urban growth** as part of India's **Viksit Bharat @ 2047** mission. The announcement follows meetings with **PM Modi**, **FM Nirmala Sitharaman**, and **Housing Minister Manohar Lal**.
- India has officially granted **Starlink**, the satellite internet venture by **Elon Musk's SpaceX**, the much-awaited **GMPCS licence**, paving the way for the company to offer satellite communication services across the country. This makes Starlink the third operator in India's satellite internet market, alongside **OneWeb** and **Jio Satellite**, and it is expected to receive trial spectrum soon to prove its technical and security readiness.



- Public sector general insurance companies (PSGICs) have achieved a notable **growth milestone** by collecting **₹1.06 lakh crore** in **premium income** during **FY2024–25**, up from ₹80,000 crore in FY19. This performance was highlighted during a **review meeting** chaired by **Finance Minister Nirmala Sitharaman**, focusing on **insurance penetration, density, and digital transformation**. The sector witnessed a **turnaround in profitability**, with firms like **NIACL, NICL, OICL, and UIICL** returning to profits.
- **Thomas Cook (India) Ltd.** has partnered with **Muthoot Forex** to expand access to its **Borderless Travel Card** and **Study Buddy Card** via Muthoot's **7,000+ branch network**, aiming to serve **international travelers and students abroad** across **metro to Tier 4 cities**, with features like **multi-currency support, emergency cash, free SIM, Rs.7.5 lakh insurance, and reward points** for forex loads.
- SEBI has launched a **settlement scheme** for stock brokers involved in **algo trading violations**, open from **June 16 to September 16, 2025**. Over **100 brokers**, including top firms like **Zerodha** and **5Paisa**, were found collaborating with **unregulated algo platforms** offering **assured returns**—a direct breach of SEBI norms. The scheme provides a way to resolve cases with a **low settlement cost**, while SEBI continues to strengthen **regulations for algorithmic trading**, emphasizing **retail investor protection, empanelment of algo providers, and broker accountability**.
- **Scapia**, in collaboration with **Federal Bank**, has launched India's **first dual-network credit card** combining **Visa and RuPay**, known as the **Scapia Federal RuPay Credit Card**. With **UPI compatibility, zero forex markup, Scapia Coins, and airport lounge benefits**, the card offers a unified credit experience for **domestic and international use**. The launch is aligned with Scapia's broader platform upgrades under its **2025 Summer Release**, including **AI recommendations, tailored fare options, and reward enhancements** — marking a key milestone in India's **fintech evolution**.
- The **Asian Development Bank (ADB)** has approved a **\$109.97 million loan** to support Gujarat's **Skills Development Program**, a forward-looking initiative designed to enhance **technical education**, promote **inclusive employment**, and drive **industrial competitiveness**. By upgrading **training infrastructure**, launching **industry-aligned courses**, and improving **governance** at institutions like **Kaushalya: The Skill University**, the program will create a **future-ready workforce**.
- **Apna.co** has launched **AI Job Prep**, an innovative **AI-powered interview preparation tool** aimed at bridging the **confidence gap** in India's job market. With over **7.6 lakh simulations** completed across **900+ cities**, the platform provides **realistic interview experiences, real-time**





feedback, and **personalized tips** using its proprietary **Agentic AI technology**. Metro cities like **Delhi and Mumbai** lead in adoption, but usage is rapidly growing in **non-metro areas**. This tool reflects a larger trend of **tech-enabled skilling** and is expected to significantly boost **employability and digital empowerment**.

- India's **GIFT City** has witnessed a surge in global interest, with banks from **France and the UAE** applying to set up **IFSC Banking Units (IBUs)**. The **International Financial Services Centres Authority (IFSCA)** has approved **Natixis and Credit Agricole**, while other foreign and domestic banks await clearances. The total number of IBUs has doubled from **15 in 2022 to 31 in 2025**, with **\$88.5 billion in assets**. This reflects **global trust in India's economic reforms**, and supports the country's ambition to make GIFT City a **world-class financial centre**.
- The **Indian Renewable Energy Development Agency (IREDA)** has raised **₹2,005.90 crore** through a **QIP issue**, attracting strong participation from domestic and international institutional investors. The funds will **enhance IREDA's Tier-I capital** and enable expanded **green energy financing**. This development follows IREDA's IPO in 2023 and reaffirms the agency's growing significance in India's **clean energy transition**, strengthening its ability to support renewable energy initiatives across the country.
- UPI transactions are now set to be completed in just **10–15 seconds**, starting June 16, 2025, as per NPCI's latest directive. In addition to this, users will have a **50-times daily limit** for checking their account balance via UPI apps. To increase transaction transparency and reduce fraud, apps will display only the **final beneficiary's name**, and users will no longer be able to edit it. With UPI usage surging across India, these upgrades aim to boost the **efficiency, speed, and trust** in the country's digital payment ecosystem.
- Tata Consultancy Services (TCS) has partnered with the **Council of Europe Development Bank (CEB)** in **Paris** to automate and optimise its financial reconciliation process. The implementation of **TCS BaNCS™ for Reconciliations** will enable **end-to-end automation, real-time insights, and AI-driven exception management**. This will lead to reduced **manual intervention**, improved **operational efficiency**, and enhanced **control and transparency** in daily transactions.
- India has granted **operating license to Starlink**, the **satellite internet service by SpaceX**, paving the way for **widespread rural and remote broadband access**. Following this, **Jio Platforms and Bharti Airtel** partnered with **SpaceX** to **retail Starlink kits and offer support services**, aiming to connect schools, hospitals, and businesses. While the move aligns with the **Digital India vision**, **spectrum allocation disputes** between **Elon Musk and Mukesh Ambani** highlight ongoing regulatory challenges.

- **TVS Motor Company** has entered **Indonesia's electric two-wheeler market** with the launch of the **TVS iQube**, an **electric scooter** offering a **115 km range** and **78 kmph top speed**. Priced at **IDR 29.9 million**, the scooter will be **assembled locally** in East Karawang and aligns with the Indonesian government's EV adoption goals. As **Indonesia's EV market grows at 101% CAGR**, this marks a **major milestone** for **TVS's global EV expansion**, with the iQube already boasting a **6 lakh global customer base**.
- **Jio Financial Services (JFSL)** has acquired **State Bank of India's 17.8% stake** in **Jio Payments Bank** for **₹104.54 crore**, resulting in full ownership of the digital bank. Approved by the **Reserve Bank of India**, the move marks a significant milestone in **Jio's fintech expansion**. Alongside, **Jio BlackRock Mutual Fund** introduced **Aladdin**, a **global risk analytics platform**, to the Indian market. While **JFSL shares dipped 1%**, the company is rapidly strengthening its **digital finance ecosystem** through **strategic collaborations** and acquisitions.
- India has secured the **13th spot globally** in terms of **online investment curiosity**, according to a recent study by **BrokerChooser**. The country logged **2,629 monthly searches per million people**, showing strong interest in **stocks**, followed by **crypto** and **forex**. While India still trails nations like **Australia, Singapore, and Kenya**, the findings reflect a rapid shift in **investment behavior**, especially among **tech-savvy youth**. The rise of **mobile trading apps, SIPs, and digital financial influencers** is redefining how Indians engage with the market.
- India's financial presence in Swiss banks has sharply increased in 2024, with total holdings reaching **CHF 3.5 billion (₹37,600 crore)** — a threefold jump over the previous year. The surge is largely driven by **institutional investments**, while **personal deposits** remain a minor share. Despite regular tax data exchange between India and Switzerland, the issue of **black money** remains under scrutiny. India also improved its global rank among foreign clients of Swiss banks, moving from **67th to 48th** in just one year.
- **NPCI's New Real-Time PAN-Bank Account Validation API** aims to **enhance accuracy and efficiency** in tax-related processes by enabling **instant verification of PAN, bank account status, and account holder identity** via a secure **API interface**. Integrated with **Core Banking Systems (CBS)**, this facility ensures **real-time validation** on the **Income Tax e-filing portal**, reducing delays and manual errors. Though targeted at **government departments, taxpayers** benefit from **faster PAN-bank linking**, improved **refund processing**, and greater **data security**, marking a major step toward **streamlined digital governance**.





- From **July 2025**, the **National Automated Clearing House (NACH)** will transition to **NACH 3.0**, offering a more secure, efficient, and transparent framework for recurring financial transactions such as **salary credits, SIPs, EMIs**, and utility payments. With improved features like **PGP encryption, real-time alerts**, and **optimized file handling**, the new system by **NPCI** is poised to enhance **customer experience, minimize errors**, and handle increased transaction volumes. For both banks and consumers, **NACH 3.0** marks a **significant leap** in digital financial infrastructure.
- The **private sector in India** saw a significant surge in **economic activity** in **June 2025**, with the **Flash Composite PMI** reaching **61**, the highest in over a year. This growth was led by **manufacturing**, supported by **new domestic and international orders, rising employment**, and **increased tech investments**. While **input and output prices** continued to rise, they did so at a **moderated pace**, indicating improved cost management. **Capacity pressures** and **backlogs** remained high, prompting companies to hire more, particularly in the manufacturing sector.
- India's **state capital expenditure** is set to reach a record **₹10.2 lakh crore** in **FY26**, with **Uttar Pradesh, Gujarat, Maharashtra, Madhya Pradesh, and Karnataka** leading the charge. Together, they are expected to contribute nearly **50% of total state capex**, marking a significant shift towards **infrastructure-led growth**. The report highlights improved **revenue receipts, fiscal discipline**, and a clear **focus on asset creation**, making India's regional economies key players in driving national development during uncertain global conditions.
- In **May 2025**, **credit card spending** in India jumped by **14.5% year-on-year**, reaching **₹1.89 trillion**, as per **RBI** data. The increase was driven by the issuance of **760,000 new credit cards**, with **HDFC Bank** and **SBI Cards** leading the growth. The total number of cards in circulation rose to **111.19 million**, indicating enhanced **consumer confidence**, a growing shift toward **digital payments**, and rising **retail credit penetration**. This trend reinforces the role of **private banks** in driving the country's **digital consumption economy**.
- In a major boost to **Brand India**, the **Tata Group** has become the first Indian brand to cross the **\$30-billion** mark in brand value, as per **Brand Finance 2025** rankings. It is followed by **Infosys** and **HDFC**, while **Adani Group** has emerged as the **fastest-growing brand**. **Taj Hotels** remains the **strongest brand** with an **AAA+** rating. The rankings reflect India's expanding global presence, with **new entrants** like **Zomato** and **Birla Opus** making their mark.
- The **National Payments Corporation of India (NPCI)** has posted a **42% rise in surplus** to ₹1,552 crore and a **19% increase in revenue** to ₹3,270 crore in **FY25**, marking a strong financial performance. Despite challenges like **UPI outages** and the absence of **Merchant Discount Rate (MDR)**, NPCI continues to lead India's **digital payments ecosystem**, managing platforms such as **UPI, RuPay, and IMPS**. With over **18 billion UPI transactions** in May 2025 alone, NPCI is on track to surpass global giants like **Visa** in daily volume.
- India's **Unified Payments Interface (UPI)** has emerged as a **model digital payment system**, as acknowledged in a recent **IMF report**. The study underscores how **interoperability**, supported by **low mobile data costs, widespread banking access**, and the **Aadhaar-based digital identity system**, helped the platform scale rapidly. The **IMF recommends other nations** seeking a similar transition to adopt a **holistic digital ecosystem**, not just standalone payment platforms. This recognition places **India's fintech leadership** on the global stage and encourages further investment in **inclusive digital infrastructure**.
- The **National Bank for Agriculture and Rural Development (NABARD)** and **ICAR-NIRCA** have initiated a **training program** for **farmers and FPOs** in **East Godavari**, focusing on **post-harvest technologies** for **turmeric and chilli**. The initiative, launched on **June 25, 2025**, highlights the need for **moisture and microbial control** in spice crops and aims to **enhance value, reduce losses**, and improve **export readiness** through **scientific practices and technology adoption**.
- In a strategic move to expand their fuel retail presence, **Adani Total Gas Ltd (ATGL)** and **Reliance BP Mobility Ltd (Jio-bp)** have agreed to **dispense each other's fuels at select retail outlets**. The initiative aims to enhance infrastructure usage and customer convenience while increasing the market share of private players in a sector largely led by public oil companies. This partnership builds upon their earlier collaboration and reflects the growing synergy between India's corporate giants in the energy sector.
- **IFFCO**, India's leading fertiliser cooperative, is set to launch its **first overseas nano fertiliser plant** in **Brazil** through a joint venture with **NANOFERT**. The facility will produce **4.5 million litres of nano nutrients** annually, helping boost yields of crops like **corn, soybean, and sugarcane**. With **field trials confirming 7–10% yield increases** and **20% fertiliser use reduction**, this initiative strengthens India's **global agri-tech leadership** and promotes **sustainable farming**. Future expansions include nano **zinc and copper** variants.




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- India has launched its **first maritime sector NBFC**, the **Sagarmala Finance Corporation Limited (SMFCL)**, inaugurated by **Union Minister Sarbananda Sonowal**. Aimed at **bridging financial gaps** in the maritime ecosystem, SMFCL will finance **ports, MSMEs, and startups**. The minister also unveiled the **SAGAR SETU platform** for operational efficiency, a **standardised tariff template** for major ports, and the **Gateway to Green report** to advance **green hydrogen adoption**. An **MoU with CDAC** was signed to set up a **Digital Centre of Excellence**, reinforcing India's push for **digital maritime transformation**.
- **JioBlackRock Broking Pvt. Ltd.** has received **SEBI approval** to start operations as a **brokerage firm**, marking a significant milestone in the joint venture between **Jio Financial Services Ltd.** and **BlackRock Inc.** The brokerage arm complements the group's existing **asset management** and **investment advisory** services, furthering its mission to **democratise investing in India**. Through **technology-led, cost-efficient, and digital-first platforms**, JioBlackRock aims to serve **retail and self-directed investors**, delivering a full spectrum of financial solutions under one roof.
- The **Insurance Regulatory and Development Authority of India (IRDAI)** has levied a **₹1 crore penalty** on **Edelweiss Life Insurance** for violating **corporate governance** standards. The violations include improper **outsourcing oversight** and failure to obtain **mandatory bank account details** of policyholders. IRDAI's action emphasizes the importance of **regulatory compliance, policyholder protection**, and adherence to the **Companies Act, 2013**. This move sends a strong signal to the insurance sector about maintaining **transparency, due diligence, and accountability** in business operations.
- India has **exported its first consignment** of **rose-scented litchi** from **Pathankot, Punjab**, to **Qatar and the UAE**, demonstrating its rising presence in the **premium horticulture market**. Supported by **APEDA** and the **Punjab Horticulture Department**, this initiative showcases India's growing **agricultural export** capabilities. With exports of **fruits and vegetables touching USD 3.87 billion** in FY 2024–25, this move reinforces India's ambition to lead in **high-quality fresh produce** globally.
- India's **coffee export sector** has grown **125%** over the past decade, reaching **\$1.8 billion** in 2024–25, fueled by initiatives from the **Coffee Board of India**. The board introduced **digital export permits**, offered **financial incentives** for **value-added and specialty coffee**, and encouraged **shade-grown, sustainable coffee farming**. India is now the **5th largest exporter**, with top markets in **Europe, Japan, and the Middle East**.

- Morgan Stanley has reaffirmed its optimistic view on **India's long-term equity prospects**, citing solid macro fundamentals, low inflation, and domestic demand as key drivers. It recommends focusing on domestic sectors like **financials and industrials**, while encouraging a patient, long-term approach amidst global uncertainties. The brokerage views India as a **resilient and relatively insulated market**, capable of delivering in the face of worldwide economic volatility.
- Moody's has revised **India's GDP growth projection for 2025 to 6.3%**, citing heightened **policy uncertainty, geopolitical tensions, and global trade disruptions** as the primary challenges. Despite global headwinds, the forecast for **2026 remains at 6.5%**, reflecting expectations of stabilization. The agency also noted the **Reserve Bank of India** may continue to lower interest rates to **support economic activity**. The broader outlook for the **US, China, and global markets** also shows slowing momentum amid evolving **tariff policies, market volatility, and investment risks**.
- **Headline inflation** dropped to **3.16%** in **April 2025**, the **lowest since July 2019**, while **food inflation** fell sharply to **1.78%**, largely due to a **decline in vegetable, fruit, and cereal prices**. Both **rural and urban areas** witnessed easing price trends, supporting macroeconomic **stability and consumer reliefs**.
- India's outward FDI in April 2025 nearly doubled to **\$6.8 billion**, up from **\$3.58 billion** a year earlier, driven by substantial growth in **equity investments, loans, and guarantees**, according to the **Reserve Bank of India**. This reflects a rising appetite among Indian firms to expand globally amid improving investment sentiment.
- In a notable achievement for fiscal management, the **Government of India** has successfully met its **fiscal deficit target of 4.8% of GDP** for the financial year **2024–25**, even as **total receipts** came in slightly below expectations. This update was released by the **Controller General of Accounts (CGA)** on Friday, along with the **provisional GDP estimates** for the year.
- India's **coal imports** declined by **7.9%** in **FY 2024-25**, reaching **243.62 million tonnes**, resulting in **foreign exchange savings** of nearly **\$7.93 billion**. Government schemes like **Commercial Coal Mining** and **Mission Coking Coal** supported this shift, while domestic **coal production grew by 5%**. The sharp fall in imports, especially in the **power sector**, signifies progress toward **energy security, self-reliance, and the Viksit Bharat vision**.





- India achieved a **record FDI inflow** of **USD 81.04 billion** in **FY 2024–25**, reflecting a **14% growth** from the previous year. The **services sector** led the surge with a **40.77% increase**, followed by **manufacturing** and **software & hardware**. **Maharashtra**, **Karnataka**, and **Delhi** were top FDI destinations, while **Singapore**, **Mauritius**, and the **US** were key investors. Liberal **FDI policy reforms**, rising investor confidence, and diversified sources have established India as a **global investment hotspot** aligned with its **Viksit Bharat** goals.

BUSINESS NEWS

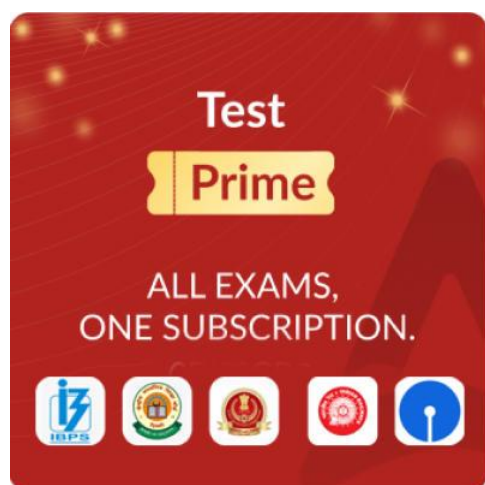
- Berkshire Hathaway's** annual shareholder meeting in **Omaha**, **Warren Buffett**, aged 94, announced his decision to **step down as CEO**, officially naming **Greg Abel**, a seasoned Canadian executive and **Vice Chairman since 2018**, as his **successor**. The move marks a **historic leadership transition** aimed at preserving Berkshire's **investment philosophy**, **corporate culture**, and ensuring **future growth** of the **\$1.2 trillion conglomerate**.
- Starlink**, owned by **Elon Musk**, has received approval from the **Indian government** to offer **satellite internet services**, marking a major step in expanding digital access across the country. Following regulatory reviews and a **Letter of Intent**, Starlink can now obtain a **GMPCS licence**. The move aligns with new **satcom guidelines** focusing on **data localisation**, **NavIC integration**, **local manufacturing**, and **telecom security**. This approval is expected to revolutionise internet access in **remote and underserved areas** and promote **technological collaboration** under the **Digital India** initiative.
- The **first round of negotiations** for the **India–New Zealand Free Trade Agreement (FTA)** concluded in **New Delhi in May 2025**. Both countries are committed to enhancing **bilateral trade** and **economic cooperation**, with total **merchandise trade** having grown significantly in the past year. The **FTA** will focus on **trade in goods and services**, **trade facilitation**, and boosting **mutual economic cooperation**. The agreement is expected to improve **market access** and integrate **global supply chains**, with a goal to conclude the **FTA** by the end of **2025**. The next round of negotiations is scheduled for **July 2025**. Key terms include the **48.6% growth in trade** and the growing importance of both nations in each other's **economic agendas**.
- Ant Group**, via **Antfin Netherlands**, has announced the sale of a **4% stake** in **Paytm** (One97 Communications) for **₹2,066 crore** through a **bulk deal** on the **BSE and NSE**. The shares will be sold at a **6.5% discount** to the market price, with **Goldman Sachs** and **Citigroup** acting as placement agents. This move is part of Ant's broader **portfolio adjustment** and marks a significant foreign exit from the Indian **fintech ecosystem**, where Ant and Alibaba have invested **\$851 million** since 2015.
- The **Periodic Labour Force Survey (PLFS)** Monthly Bulletin for **April 2025** introduces a revamped methodology delivering high-frequency estimates of key labour indicators such as **LFPR**, **WPR**, and **UR** under the **Current Weekly Status (CWS)**. With an overall LFPR of **55.6%**, WPR of **52.8%**, and unemployment at **5.1%**, the data reveals critical insights into India's labour market dynamics. The **female workforce participation**, especially in urban areas, remains significantly lower, spotlighting gender gaps. The survey covered **over 89,000 households**, using a **monthly rotational panel** design for increased statistical robustness and policy relevance.
- India's **export sector** recorded a strong start to FY2025, with **merchandise exports** growing by **9%** in April, led by **engineering** and **electronics goods**. The spike was largely driven by **tariff uncertainty** in the **US**, resulting in a **27% surge in exports to Washington**. Despite a rise in **imports** widening the **trade deficit**, the growth in **services exports**, along with solid performance in **gems and jewellery**, **pharmaceuticals**, and **textiles**, indicates **resilience and diversification** in India's trade strategy.
- Foreign Portfolio Investors (FPIs)** injected **₹4,452 crore** into **Indian equities** this week, pushing **total May inflows** to **₹18,620 crore**, per **NSDL** data. Despite earlier **net outflows** in 2025, this rebound highlights renewed **investor confidence**, driven by **domestic economic stability**, easing **global uncertainty**, and strong **sectoral performance** in **defence**, **capital markets**, and **real estate**. The **Sensex** and **Nifty** also surged, reflecting the **positive market sentiment**.
- India's **core sector growth** for **April 2025** slowed sharply to **0.5%**, marking the **lowest performance in eight months**. Key sectors like **refinery products**, **fertilisers**, and **crude oil** witnessed contraction, while only **coal** and **natural gas** posted minor gains. The **Index of Core Industries (ICI)**, which constitutes **40.27% of the IIP**, struggled under the weight of a **high base effect** from last year. Economists expect **April's IIP** to remain subdued around **1%**, reflecting a broader **slowdown in industrial activity**.
- The **Department of Telecommunications (DoT)** has launched the **Financial Fraud Risk Indicator (FRI)** to tackle rising incidents of **cyber fraud** associated with **UPI transactions**. Integrated into the **Digital Intelligence Platform (DIP)**, the FRI classifies mobile numbers as **Medium**, **High**, or **Very High** risk based on inputs from **cybercrime portals**, **banks**, and **financial institutions**. Major UPI platforms like **PhonePe**, **Paytm**, and **Google Pay** are already incorporating these alerts to **prevent financial crimes**, making this a crucial **cybersecurity measure** in India's digital economy.
- IREDA**, the country's largest **green financing NBFC**, has secured an 'Excellent' rating from the **Department of Public Enterprises (DPE)** for **FY 2023–24**, ranking among the **top 4 CPSEs in India**. The recognition reflects its outstanding performance and leadership in the **Power and NBFC sectors**.





Under the leadership of **CMD Pradip Kumar Das**, IREDA has consistently contributed to India's **renewable energy** mission and demonstrated its commitment to **sustainable development** and **nation-building**.

- **BSNL has achieved a financial turnaround** by recording back-to-back quarterly profits in FY 2024–25, thanks to strong revenue growth, strategic cost management, and record-breaking investments in infrastructure and spectrum. While short-term profit may fluctuate due to high depreciation, the company's fundamentals are solid, and its commitment to 4G/5G deployment under the Atmanirbhar Bharat mission is paving the way for a **sustainable and inclusive telecom future**. Key metrics such as a 58% reduction in annual loss, a 77% rise in asset monetisation, and a 13-percentage-point rise in EBITDA margin mark a pivotal transformation for BSNL.
- India's **industrial activity growth** weakened to its **lowest in eight months** in April 2025, signaling a slowdown across key economic sectors. According to data released by the **Ministry of Statistics and Programme Implementation**, the **Index of Industrial Production (IIP)** grew by just **2.7%** in April, compared to a growth rate of **5.8% in March 2025** and a contraction of **0.1% in August 2024**, the last time growth was this sluggish.
- India's aviation manufacturing capabilities are set to soar higher as **Tata Advanced Systems Ltd (TASL)** and **European aerospace giant Airbus** join hands to establish the **country's first privately-led helicopter Final Assembly Line (FAL)**. The strategic move places India on the global aerospace map, boosting its ambition of becoming an indigenous defence and aviation manufacturing hub.
- Bengaluru-based pet food company **Drools** has officially become a unicorn (a startup valued at \$1 billion or more). This happened after **Nestle**, a famous Swiss company, bought a small part of Drools. With this deal, Drools becomes the fourth Indian startup in 2025 to reach unicorn status, after **Netradyne**, **Porter** and **JSW One Platforms**.



Economy/Business Current Affairs of April 2025

ECONOMY NEWS

- Effective **April 22, 2025**, the **Income Tax Department** has mandated a **1% Tax Collected at Source (TCS)** on the sale of **luxury goods priced above ₹10 lakh** under **Section 206C of the Income Tax Act**, as announced in the **Finance Act (Union Budget)**. This move aims to **enhance transparency and tax compliance** in high-value retail. Covered items include **luxury watches, handbags, antiques, yachts**, and more. The **seller collects 1% TCS**, deposits it under the buyer's **PAN**, and buyers can **claim it as tax credit** while filing their **ITR**.
- The **Indian life insurance industry** recorded a **5.13% growth** in **new business premium** for **FY25**, collecting **₹3,97,336 crore**, up from **₹3,77,960 crore** in **FY24**. The **individual new business premium** rose sharply by **11.17%** to **₹1,66,590.81 crore**, driven by increased **first-time policyholder** participation. **LIC** led the sector with **₹2,26,669 crore** in total new business premium and a **record ₹62,404 crore** in individual premium, capturing a **57.05% market share**.

BUSINESS NEWS

- **Renault Group** will acquire the remaining **51% stake** in **Renault Nissan Automotive India Private Ltd (RNAIPL)** from **Nissan Motor Corp**, gaining **100% ownership** of the **Chennai manufacturing facility**. This follows a **2023 agreement** where Renault and Nissan invested **\$600 million** to develop **six new models** for the Indian market. RNAIPL, established in 2010 as a joint venture, saw Nissan reduce its stake to 51% in 2023. This acquisition strengthens Renault's control over its **Indian manufacturing** and supports its broader **global restructuring strategy**.
- **UPI transactions** hit a **record high** in **March 2025**, reaching **Rs 24.77 trillion** in value and **19.78 billion** in volume, marking a **13% increase in value** and **14% rise in volume** from February. This milestone reflects **strong digital payment adoption** in India. For **FY25**, UPI saw **Rs 260.56 trillion in transaction value (+30% YoY)** and **131.14 billion transactions (+42% YoY)**, reinforcing its **dominance in India's digital economy**.
- **Aditya Birla Capital Limited (ABCL)** has successfully **amalgamated** its NBFC subsidiary **Aditya Birla Finance Ltd. (ABFL)**, effective **April 1, 2025**, after approvals from **SEBI, RBI, NCLT, shareholders, and creditors**. The merger aims to **simplify the corporate structure, enhance financial stability, and improve efficiency**. **Vishakha Mulye** has been appointed as **MD & CEO**, while **Rakesh Singh** will serve as **Executive Director & CEO (NBFC)**.





- **HIL Ltd** has rebranded itself as **BirlaNu Limited**, aligning its identity with its core values of **innovation, quality, and sustainability** in the **building materials** industry. With a strong presence in **India and Europe**, the company aims to better serve **homeowners, builders, and designers**. Having been operational for over **eight decades**, BirlaNu is deeply rooted in **Hyderabad, Telangana, and Andhra Pradesh**.
- **Juspay**, a Bengaluru-based **payments infrastructure provider**, became India's first **unicorn of 2025** after raising **\$60 million** in a **Series D funding round**, led by **Kedaara Capital**, with participation from **SoftBank and Accel**. This funding pushed Juspay's valuation past the **\$1 billion** mark. The company plans to enhance its technology through **AI** and expand into international markets, including **APAC, Latin America, Europe, UK, and North America**. Despite facing challenges like the **loss of major clients** such as **Razorpay and PhonePe**, Juspay aims to focus on **AI-led productivity and global expansion** to maintain growth momentum.
- **BlackRock**, along with other US and European investors, participated in a **\$750 million private bond issue** by the **Adani Group** to fund **Renew Exim's acquisition of ITD Cementation**. This marks a cautious return of investor confidence despite ongoing legal challenges, including a **\$256 million bribery case** involving **Gautam Adani**.
- **Milkfed Punjab** has launched a new mascot '**Veera**'—a smiling Sikh boy with folded hands—for its flagship dairy brand **Verka**, aiming to boost national recognition similar to the **Amul Girl**. The launch, symbolizing **Punjabi warmth and hospitality**, coincided with a **₹135 crore dairy expansion project** in **Amritsar**, enhancing Verka's production of **flavored milk and fermented dairy products**. As the **7th largest milk cooperative** in India, Milkfed also announced **e-commerce integration** to expand Verka's **global market reach**.
- In **March 2025**, India's **exports** grew marginally by **0.7%** to **\$41.97 billion**, while **imports** surged by **11.3%** to **\$63.51 billion**, widening the **trade deficit** to **\$21.54 billion**. For the fiscal year **2024–25**, **merchandise exports** saw a slight **0.08% increase** to **\$437.42 billion**, while **imports** rose by **6.62%** to **\$720.24 billion**. Overall **exports (goods + services)** grew by **5.5%** to **\$820.93 billion**, indicating resilience in **service exports**, despite a growing **trade deficit** driven by rising import demand.
- India's **foreign trade** for **FY2024–25** showed contrasting trends with key global partners. **Exports to the United States** rose by **11.59%** to **\$86.5 billion**, leading to a **trade surplus** of **\$41.2 billion**. Meanwhile, **exports to China** fell by **14.49%** to **\$14.25 billion**, while **imports from China** grew by **11.52%** to **\$113.45 billion**, deepening the **trade deficit** with China to **\$99.2 billion**. Key import drivers from China included **electronics, EV batteries, solar cells, and industrial inputs**, with **PLI schemes** boosting demand for imported components.
- India's **pharmaceutical exports** hit a historic high of **\$30.47 billion** in **FY25**, surpassing the target of **\$29.38 billion**, driven by a **31.21% YoY surge in March 2025**. Key contributors included **drug formulations and biologicals** (\$20.12 billion) and robust demand from the **United States** (\$8.95 billion, up 14.29%), with **NAFTA accounting for 36.6%** of exports.
- To **protect India's domestic steel industry**, the government has imposed a **12% provisional safeguard duty** on specific **steel imports** effective **April 21, 2025**, targeting low-cost inflows from **China, South Korea, and Japan**. Triggered by a **DGTR investigation** into **unfairly priced imports** causing "**serious injury**" to local manufacturers, this move addresses a surge in steel imports—**9.5 million metric tons** in **FY 2024–25**—making India a **net importer for the second year**.
- India's **smartphone exports** crossed a record **₹2 lakh crore** in **FY25**, marking a major milestone driven by the **Production-Linked Incentive (PLI) scheme**. Announced by **Union Minister Ashwini Vaishnaw**, this **54% export growth** highlights India's rising role in **global supply chains**, with **Apple's iPhone exports** being a key contributor.
- **Zepto**, a leading **quick-commerce startup** in India, has rebranded its parent company from **Kiranakart Technologies Private Limited** to **Zepto Private Limited**. This name change, approved by the **Registrar of Companies (RoC)** in Mumbai, aligns the company's **corporate identity** with its **consumer-facing brand** in preparation for a potential **Initial Public Offering (IPO)**.
- **South Eastern Coalfields Limited (SECL)** has made history as the first coal PSU in India to implement **paste fill technology** for **underground coal mining**, marking a significant leap in **sustainable mining practices**. This initiative, aimed at minimizing environmental impact while extracting coal in surface-constrained areas, is backed by a **₹7040 crore** partnership with **TMC Mineral Resources Private Limited**.
- **Campbell Wilson** is stepping down as **Chairman of Air India Express** as part of a broader **Tata Group airline restructuring** to boost operational and commercial synergy. **Nipun Aggarwal, Chief Commercial Officer (CCO) of Air India**, will take over as Chairman, aligning both airlines' strategies. **Captain Basil Kwauk** is set to replace Wilson on the board, pending approval. The move follows Tata's **January 2022 acquisition of Air India and Air India Express** and aims to optimize **fleet, routes, and loyalty programs** across the group.





Economy/Business Current Affairs of March 2025

ECONOMY NEWS

- **GST collections in February 2025** rose by **9.1% YoY**, totaling **₹1.84 lakh crore**, reflecting strong domestic economic activity and improved compliance. The breakdown includes **Central GST (CGST) ₹35,204 crore**, **State GST (SGST) ₹43,704 crore**, **Integrated GST (IGST) ₹90,870 crore** (with ₹41,702 crore from imports), and **Compensation Cess ₹13,868 crore**.
- India's **circular economy** is expected to generate over **\$2 trillion** in market value and create nearly **10 million jobs by 2050**, as per **Union Minister Bhupender Yadav**. At the **12th Regional 3R and Circular Economy Forum**, he highlighted the shift towards a sustainable, **reuse and recycle-based system**. India is also interested in hosting the **World Circular Economy Forum 2026**, launching key initiatives, MoUs, and reports to promote **sustainable waste management** and urban **circular economy practices**.
- India's **agriculture trade surplus** has been shrinking despite growth in exports like **basmati rice, spices, coffee, and tobacco**. The surge in imports of **pulses and edible oils** has contributed to this decline. The surplus peaked at **\$27.7 billion** in 2013-14, and dropped to **\$16 billion** in 2023-24. For **April-December 2024**, the surplus fell to **\$8.2 billion**, down from **\$10.6 billion** in the previous year.
- India's **retail inflation** dropped to a **seven-month low** of **3.61%** in February 2025, driven by a decline in **food inflation** to below 4% for the first time in nearly two years. This broad-based reduction, particularly in perishable goods and protein-based food items, has raised expectations for a potential **rate cut** by the **Reserve Bank of India (RBI)** in the upcoming April meeting.
- India's **Consumer Price Index (CPI)** for **February 2025** shows a **year-on-year inflation** of **3.61%**, marking the **lowest inflation rate** since **July 2024**. This represents a **65 basis points** decline from **January 2025**. A significant drop in **food inflation**, especially in **rural areas**, contributed to this moderation.
- India's **Index of Industrial Production (IIP)** for **January 2025** showed a **5.0% growth**, up from **3.2%** in **December 2024**. The **manufacturing sector** led the growth at **5.5%**, followed by **mining (4.4%)** and **electricity (2.4%)**. The IIP index for January 2025 stands at **161.3**, up from **153.6** in January 2024.
- **Moody's Ratings** projects **India's economic growth** to exceed **6.5%** in **FY 2025-26**, up from **6.3%** in **FY 2024-25**. The growth will be fueled by increased **government capital expenditure, tax cuts, and monetary easing**. However, Moody's warns of a moderate decline in **asset quality** in the **banking sector**, particularly due to stress in **unsecured retail loans, microfinance, and small business loans**.

- **Fitch Ratings** has affirmed the **Long-Term Issuer Default Rating (IDR)** of **Union Bank of India** and **Punjab National Bank (PNB)** at **'BBB-'** with a stable outlook. The **Viability Rating (VR)** has been upgraded to **'bb-'** from **'b+'**, reflecting improved **financial performance** and **asset quality**. The ratings reflect strong **government support** and a favorable **operating environment**.
- India's **net FDI** dropped significantly to **\$1.4 billion** during April 2024–January 2025, down from **\$11.5 billion** a year earlier. This decline was due to increased **repatriation by investors** and higher **outward FDI** by Indian firms. However, **gross FDI** grew by **12.4% YoY**, reaching **\$67.7 billion**, as per the **RBI's March 2025 bulletin**.
- India's **foreign exchange reserves** surged by **\$15.267 billion** to reach **\$653.966 billion** during the week ending **March 7, 2025**, marking the sharpest rise in over two years. This increase was driven by a **\$10 billion forex swap** by the **Reserve Bank of India (RBI)** on **February 28, 2025**. The previous week's reserves were **\$638.698 billion**, and the all-time high remains **\$704.885 billion** (September 2024).
- India's **wholesale inflation** rose to **2.38%** in **February 2024**, slightly up from **2.31%** in January. The increase was driven by higher prices in **manufactured food products, textiles, and non-food articles**, though a decline in the **Food Index** provided some relief.

BUSINESS NEWS

- **Paytm** has partnered with **Perplexity**, an **AI-driven answer engine**, to integrate **AI-powered search** into the Paytm app, enabling users to ask questions, explore topics in **local languages**, and make informed **financial decisions**. Perplexity offers **real-time responses** with **in-line citations**, providing **accurate** and **reliable** answers, especially for **finance** and **market trends**.
- **PhonePe** has launched the **'Insuring HEROES'** campaign ahead of **International Women's Day 2025**, aiming to **enhance financial security for women** by offering **exclusive discounts on term life and health insurance**. Available on the **PhonePe app** from **March 6 to March 9, 2025**, the campaign provides **up to 30% off on term life insurance** and **15% off on health insurance**, making **affordable insurance** more accessible for women.
- In **February 2025**, India's **digital payments ecosystem** showed mixed trends, with **UPI transactions** declining **MoM**, while **FASTag** and **AePS** saw steady growth. Despite this, the industry continued expanding **YoY**, driven by increased adoption of **cashless transactions** across the country.
- **Razorpay**, a leading **fintech company**, has launched its **payment solutions** in **Singapore**, marking a major expansion after its success in **India** and **Malaysia**. The move aligns with Singapore's **digital-first economy** and growing **real-time payments** ecosystem. Razorpay aims to simplify **cross-border transactions**, reduce **payment costs**, and introduce **AI-driven financial tools** to empower businesses in Singapore.





- **SBI Life Insurance** has launched two new **child insurance products**—‘SBI Life – Smart Future Star’ and ‘SBI Life – Smart Platina Young Achiever’—to secure children’s **financial future**. These products aim to provide **financial safeguards** amidst rising **education costs**, evolving **career aspirations**, and increasing **lifestyle expenses**, ensuring children can pursue their dreams without financial constraints.
- **GRM Overseas Limited** has launched a new marketing campaign for its **10X Classic Chakki Fresh Atta**, with **Bollywood actor Salman Khan** as the brand ambassador. Titled “**Better Half Ki Better Choice**”, the campaign highlights the product’s **quality, hygiene, and nutrition**, positioning it as the preferred choice for households. With the tagline “**10 Ka Dum**”, the campaign promotes **branded packaged wheat flour** over traditional unpackaged options.
- **Star Health Insurance** launched the **SheTARA campaign** in **Tamil Nadu** to celebrate **International Women’s Day**. The initiative promotes **preventive healthcare** among women and encourages more women to join as **insurance agents**. With **42% of India’s women workforce** (6.3 lakh) based in Tamil Nadu, the state is an ideal location for this campaign.
- Credit disbursement to **priority sectors** like **agriculture, MSME, and social infrastructure** has grown by **85%**, rising from **₹23.01 lakh crore** in 2019 to **₹42.73 lakh crore** in 2024. The **RBI and government** have implemented measures to ensure **credit discipline, responsible lending, and technological adoption**. **Public Sector Banks (PSBs)** are collaborating with **FinTechs** to enhance **banking services** and facilitate **seamless lending**.
- Digital payment transactions in India surged from **8,839 crore** in FY 2021-22 to **18,737 crore** in FY 2023-24, reflecting a **46% CAGR**. This growth was led by **UPI**, which grew at **69% CAGR**, contributing to over **70%** of digital payments. The **Incentive Scheme for RuPay Debit Cards** and **BHIM-UPI** transactions has been pivotal in boosting **digital transactions** nationwide.
- India’s **digital payment ecosystem** saw over **18,000 crore** transactions in FY 2024-25 (till January 2025), driven by **UPI adoption, fintech collaborations, and government initiatives**. To ensure security, **RBI and NPCI** implemented **AI-driven fraud detection** systems and awareness campaigns, while the government strengthened **cybercrime reporting** mechanisms to enhance **user safety** in digital transactions.
- The **MSME sector** in India has seen significant growth in **credit availability** and a reduction in **Non-Performing Assets (NPAs)**, with the **gross NPA ratio** decreasing from **11% in 2020 to 4% in 2024**. Measures by the **government and RBI** have strengthened **loan recovery mechanisms** and ensured financial stability, improving the health of the MSME credit sector.
- In 2024, **India** became the top source of **Foreign Direct Investment (FDI)** into **Dubai**, surpassing the **United States, France, and the United Kingdom**. Dubai maintained its status as the world’s leading destination for **Greenfield FDI projects** for the fourth consecutive year, driven by its **business-friendly environment, tax policies, and infrastructure**, positioning it as a global investment hub.
- **IIFL Finance** has rebranded seven of its branches as ‘**Shakti**’ branches to mark **Women’s Day**, staffed entirely by women in the **Delhi NCR and Mumbai MMR**. This initiative aims to empower women in the **financial services sector**, promote **diversity, equity, and inclusion**, and support **women entrepreneurs** while advancing **financial literacy** in underserved communities.
- The **Finance Ministry** has approved the issuance of **Zero Coupon Bonds (ZCBs)** by **Power Finance Corporation (PFC)** to raise up to **₹10,000 crore**. ZCBs are issued at a discount and redeemed at full face value upon maturity, with the return for investors being the difference between the issue price and the face value.
- In **February 2025**, **UPI** saw a 5.2% decline in transaction volume, totaling **16.11 billion** transactions. Despite this drop, **PhonePe, Google Pay, and Paytm** maintained their market dominance, with **Flipkart’s Super.money** debuting in the top five UPI apps. This decline signals a possible shift in **user behavior** or market **saturation**.
- In a historic move, the **Insurance Regulatory and Development Authority of India (IRDAI)** granted **Valueatics Reinsurance**, backed by **Prem Watsa and Kamesh Goyal**, the **first private reinsurance license** in India. This marks a significant step in fostering competition in the reinsurance sector, ending **GIC Re’s monopoly** that has lasted since 1972. The approval was granted during **Debasish Panda’s** final board meeting as IRDAI Chairperson on **March 12, 2025**.
- The **Insurance Regulatory and Development Authority of India (IRDAI)** has re-designated **Life Insurance Corporation of India (LIC), The New India Assurance Company, and General Insurance Corporation of India (GIC Re)** as **Domestic Systemically Important Insurers (D-SIIs)** for **2024-25**. These insurers are deemed critical to the stability of the Indian financial system due to their size, market importance, and interconnectedness with both the domestic and global economy.
- **Adar Poonawalla**, CEO of **Serum Institute of India**, sold his stake in **Magma General Insurance** to **Patanjali Ayurved** and **DS Group** for **₹4,500 crore**, giving them a **98% stake**. This strategic acquisition strengthens **Magma Insurance’s** position, leveraging Patanjali’s rural reach and DS Group’s financial expertise. The company offers over **70 insurance products**, with a **gross written premium (GWP)** of **₹3,295 crore** in 2024, projected to rise to **₹3,650-3,700 crore** in 2025.
- The **Union Cabinet** approved a **₹1,500 crore** incentive





scheme for banks to promote **UPI transactions** below ₹2,000 in FY 2024-25. Banks will receive a 0.15% incentive on transactions by **small merchants**, with part of the payout based on maintaining reliable **UPI infrastructure**. The initiative aims to boost **digital payments** adoption, especially among **small businesses**, without imposing merchant fees.

- The **Union Cabinet**, led by **Prime Minister Narendra Modi**, approved the **Revised Rashtriya Gokul Mission (RGM)** with an allocation of ₹3,400 crore (plus ₹1,000 crore) for the 15th Finance Commission cycle (2021-26). The mission focuses on boosting **milk production**, **genetic improvement**, and **farmer incomes**, while preserving **indigenous bovine breeds** through scientific interventions.
- **BPCL** has inaugurated a **3.2 MW AC floating solar power plant** at the **Kochi Refinery**, marking a major step toward **sustainable energy**. **Chief Secretary Sarada Muraleedharan** inaugurated the project on **March 22, 2025**. Built on an **8-acre rainwater harvesting pond**, the plant is part of BPCL's efforts to integrate **renewable energy**, with an investment of **₹28.93 crore**.
- The **Indian government** has formed the **Inter-Ministerial-Industry Committee on Fintech (IMICF)** to address **regulatory concerns** and create a long-term strategy for the **financial technology (fintech)** sector. Chaired by the **Secretary of the Department of Financial Services (DFS)**, the committee will evaluate fintech's impact on the **banking and**

financial services industry (BFSI), identify growth obstacles, and study **global best practices** in **governance** and **regulation**.

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