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INDUSTRY ARTICLE

GCCs in India
How Global Capability Centres
Are Reshaping BFSI Sector

India's Global Capability Centres (GCCs) are rapidly transforming the corporate landscape and shaping global business strategies, having undergone a fundamental shift — from offshore cost-saving units to high-value strategic engines driving innovation, resilience, and enterprise growth. Large domestic and global banks, insurance companies, mutual Funds, collective investment vehicles and other BFSI businesses are increasingly leveraging GCCs and captive Shared Service Centres (SSCs) not only for operational tasks but for value added functions and new age solutions. The range of services cover transaction processing, financial accounting, valuations, stakeholders' reporting, technology solutions, cyber security and developing new products using analytics, automation and Artificial Intelligence ("AI").

There are over 1,700 GCCs, employing 2 million skilled personnel and generating revenues of nearly US$ 70 billion. By 2030, the sector is projected to cross US$100 billion across nearly 2,400 GCCs. There are several key considerations which businesses must consider for optimally leveraging GCCs/SSCs:

Key trends

- Operating model maturity, not headcount, is now the truest measure of a GCC. Over 50% of Indian GCCs are now classified as portfolio or transformation hubs — well beyond the extended-office stage.
- **Automation & AI** — GenAI, ML, RPA are now embedded across GCC functions, not just pilots
- **Multi-currency accounting and financial reporting** — increasing complexity driving automation demand
- **Product development** — India GCCs now own global product and technology roadmaps, including AI products for BFSI sector
- Fund accounting, valuations and NAV workings and communications to investors and stakeholders

- **Automated reconciliations** — Customers, vendors, banks - RPA + AI reduces reconciliation time by 60–80% enabling focus on exceptions and controls
- **Predictive forecasting** — ML models for cash flow, revenue and tax liability forecasting; CA validates assumptions and risk parameters
- **Tax compliance automation** — AI-assisted corporate /GST/VAT tax compliances, input tax credits, transfer pricing studies and global compliances project management
- **TP benchmarking** — AI-driven comparability analysis across databases (Prowess, TP Catalyst); CA applies professional judgment
- **Audit analytics** — continuous auditing using data tools and interprets results

The Tier-2 story

- Tier-2 cities growing at 21% YoY vs 11% in metros — the fastest segment in India's GCC market
- **Tier-2 hotspots:** Jaipur, Coimbatore, Kochi, Ahmedabad, Indore — all attracting GCC investment
- **Mid-market surge:** $500M–$5B revenue global companies are the fastest-growing GCC segment — and they prefer Tier-2 for cost efficiency

Tax & Regulatory Aspects

- Data localisation and personal data protection laws compliances including Digital Personal Data Protection Law in India
- Tax benefits and incentives
  - **National Policy on Software Products, Digital India, Make in India, Startup India** — all converging to make India the world's knowledge and innovation capital
  - State level GCC policies in serval states such as Maharashtra, Gujarat, UP, Tamil Nadu, provide capital subsidy, stamp-duty waivers, payroll subsidies (up to INR 1.8 lakh / employee), and land at concessional terms.
  - **GIFT City IFSC** — tax holiday extended to 20 years (Budget 2026); financial services GCCs will accelerate there
  - **Transfer pricing regulations** — Safe Harbour raised to entities having annual revenue up to Rs. 2,000 Crores with reduced mark-up of 15.5% for IT and business process outsourcing services
  - **GST Intermediary Services** — now extended the benefit of zero rating for GST purposes. This ends the long-standing dispute where GCC back-office services to parent were taxed at 18% GST.
  - **Patent Box Regime** —10% concessional tax on royalty from patents developed and registered in India

Conclusion

The GCC ecosystem has moved decisively beyond its origins as a cost-reduction mechanism. For BFSI organisations, the question is no longer whether Indian capability centres can deliver strategic value, but whether your organisation has the operating model, governance framework, and leadership commitment to capture that value fully.

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TOP SPEECH

Building Deep and Resilient Financial Markets for a Viksit Bharat - Keynote Address delivered by Shri Rohit Jain, Deputy Governor at the Financial Institutions Leadership Conference organised by the Standard Chartered Bank in Mumbai on July 24, 2026

Mr. C.S. Setty, Chairman, State Bank of India, Mr P D Singh, CEO, Standard Chartered Bank, India & South Asia, distinguished guests, senior leaders from across the financial sector, ladies and gentlemen.

1. It is a pleasure to join you this evening. I thank Standard Chartered Bank for the invitation extended to me and for bringing together such a wide cross-section of institutions that participate in, intermediate, and shape India's financial markets.

2. We often measure progress of financial markets through visible indicators—market size, trading volumes, new products, new participants and international recognition. These are important. But they do not tell us the whole story. The real test is whether markets can convert scale into productive financing, liquidity into reliable price discovery and innovation into effective risk management. Above all, can markets continue to perform when conditions become difficult?

3. This question is particularly relevant today as India aspires to become a developed economy by 2047. We usually describe that aspiration in terms of infrastructure, manufacturing, urbanisation, technology, the energy transition and human capital. Yet behind every one of these ambitions lies a financing question: Where will the long-term capital come from, and how will the risks generated by a larger and more globally connected economy be managed?

4. India has traditionally relied on a bank-led financing model. That model has served the economy well. However, the scale, tenor and diversity of financing required for Viksit Bharat cannot be met through bank balance sheets alone. It will require a stronger complement of market-based finance—government and corporate bond markets for long-duration capital, and deeper foreign exchange and derivative markets for pricing and distributing risk.

5. **Against this backdrop, I would like to explore one central question this evening:**

   What kind of financial markets must India build over the next two decades to support its economic ambitions and strengthen its place in the global financial system?

6. I would like to approach this question through three propositions:

   (i) First, India's economic ambitions require its financial markets to mobilise substantially more long-term capital and distribute risk more efficiently.

   (ii) Second, the next challenge is not merely to make our markets larger, but to make them deeper, broader and more resilient.

   (iii) Third, this transformation cannot be delivered by the regulator alone. It requires coordinated effort across the financial-market ecosystem.

Mobilising capital and distributing risk

7. Let me begin with the first proposition: India's economic ambitions require its financial markets to mobilise substantially more long-term capital and distribute risk more efficiently.

8. India does not begin this journey from a standing start. Over the past three decades, our financial markets have undergone a significant transformation. We have moved from administered interest and exchange rates and captive financing arrangements towards market-determined pricing, auction-based government borrowing, modern benchmarks, and sophisticated trading, clearing and settlement infrastructure.

9. Our government securities market now provides the pricing backbone for rupee financial assets. Money, foreign exchange and derivative markets have expanded substantially. The investor and participant base have progressively widened, while the inclusion of Indian government securities in global bond indices has marked an important step in the integration of our markets with global capital.

10. This progress reflects India's calibrated approach to market development—combining greater openness and innovation with macroeconomic stability, resilient institutions and robust market infrastructure.

11. The demands of the coming decades will, however, be substantially greater. India will require long-term capital for infrastructure, manufacturing, urban development, technology and the expansion of Indian enterprises, both domestically and internationally. The scale and tenor of these requirements make it important to broaden the channels through which savings are converted into investment.

12. At the same time, the pattern of domestic savings is evolving. Alongside bank deposits, a growing pool of household savings is being channelled through insurance, pensions, mutual funds and other market-linked instruments. Well-functioning financial markets can connect these long-term savings with long-term investment needs.

13. This is where different segments of the market perform complementary functions. Government securities markets finance public investment and provide a benchmark for pricing other rupee assets. Corporate bond markets connect long-term savings with private investment. Money markets strengthen monetary transmission and liquidity management. Foreign exchange and derivative markets allow businesses, financial institutions and investors to manage risks rather than avoid economically valuable opportunities.

14. Market development is, therefore, not an agenda confined to treasuries or dealing rooms. It has a direct bearing on the cost and availability of capital across the economy.

15. A wider range of enterprises must also progressively gain access to market-based finance. This cannot be achieved merely by introducing new instruments or encouraging investors to assume more risk. It requires investors with the capacity to differentiate and price credit risk, reliable recovery mechanisms, and markets through which such risk can be managed and redistributed.

16. Deeper markets would also enable financing risks to be shared across a wider and more diverse set of participants, rather than remaining concentrated on the balance sheets of a limited number of intermediaries.

17. In sum, the financial markets required by a developed economy must be built before the economy reaches developed status—not afterwards. This will require more than an increase in issuance or trading volumes. It brings me to my second proposition: moving from scale to depth.

From Scale to Depth

18. The next challenge is not merely to make our markets larger, but to make them deeper, broader and more resilient. Market size tells us how much activity exists. Market depth tells us how effectively the market performs.

19. A market may be large in terms of outstanding stock, but still have limited trading. It may record substantial issuance, but offer little secondary-market liquidity. It may permit a wide range of products, but see activity concentrated in only one or two instruments.

20. Access is not the same as participation. Permission does not by itself create liquidity. The existence of a product does not necessarily mean that a market has developed around it.

21. One could assess market depth through three broad tests that attempt to capture a distinct but complementary dimension of depth:

    (i) the quality of liquidity and price discovery;

    (ii) the ability to distribute risk; and

    (iii) the resilience of markets across participants and market conditions.

22. Let me take each of these in turn.

23. The first test is the quality of liquidity and price discovery.

24. Our government securities market has grown considerably and provides the pricing backbone for other rupee financial assets. For the sovereign yield curve to perform this role fully, however, reliable prices and reasonable liquidity must extend beyond a limited number of benchmark securities and maturities. A yield curve is only as useful as the price discovery that supports it.

25. The same principle applies at the shorter end. Our overnight money markets are active and transmit changes in the policy rate efficiently. Beyond the overnight segment, however, term activity remains modest. A deeper term money market would strengthen benchmark formation, improve the pricing of financial instruments and support more effective management of interest-rate risk. In view of this, the RBI has recently issued guidelines to further expand participation in the term money market.

26. The corporate bond market presents another dimension of the same challenge. Primary issuance has grown, particularly among highly rated issuers. The next stage must involve greater secondary-market liquidity and more continuous differentiation and pricing of credit risk.

27. The objective is not trading for its own sake. Secondary-market liquidity gives investors greater confidence that they can adjust their exposures when required. It improves price discovery, reduces the cost of entry and exit, and can support participation by a wider range of issuers and investors. Put simply, issuance creates financial assets; liquidity helps create a market around them.

28. The second test is the ability to distribute risk efficiently.

29. As the economy becomes larger and more globally connected, the volume and variety of interest-rate, currency and credit risks will also increase. Deep markets allow these risks to be separated from the underlying financing and transferred to participants that are willing and able to bear them.

30. Our interest-rate and foreign exchange derivative markets have expanded, but activity remains concentrated in a limited range of products and tenors. Credit-derivative markets are still developing. Their progress will require an enabling regulatory framework, appropriate accounting and capital treatment, reliable infrastructure and, importantly, active participation by market institutions. RBI's recent reforms covering introduction of Total Return Swaps, Futures on credit indices and extended Credit Default Swaps (CDS) mark an important step in deepening India's credit derivative market by enhancing risk transfer, improving price discovery, and broadening the toolkit available for efficient credit risk management.

31. The aim should not be to replicate every instrument available in other jurisdictions. New products must respond to genuine economic needs and enable businesses, investors and intermediaries to manage identifiable risks more effectively.

32. Complexity, however, should not be mistaken for sophistication. A product does not contribute to market development if its risks are not adequately understood by the customer, if its value cannot be independently assessed, or if its behaviour under different market conditions is unclear. Past episodes involving the sale of exotic derivative products to smaller enterprises demonstrated how quickly losses on poorly understood products can undermine confidence—not only in the product, but also in the institution offering it and in the market itself.

33. Product innovation must, therefore, be accompanied by appropriate suitability and risk-assessment processes, transparent disclosure, fair pricing and the capacity of users to understand and manage the exposures they assume. The purpose of innovation should be to make risk more manageable, not less visible.

34. Market development cannot be achieved merely by permitting a product. It requires participants to build expertise, quote prices, transact and provide liquidity. But sustainable liquidity can emerge only where products serve genuine needs and users have confidence in how they are designed, priced and sold.

35. A developed economy cannot depend on underdeveloped risk markets. Equally, a developed market cannot be built on products whose risks are not understood by those who use them.

36. The third test is the diversity and resilience of participation.

37. Deep markets require participants with different balance sheets, investment horizons, risk appetites and views. Where participants have similar mandates and respond to developments in the same manner, markets can become one-sided precisely when liquidity is most needed.

38. Participation must also be meaningful. Access to a market is only the starting point. Institutions must have the expertise, systems and risk-management capacity to transact actively, provide liquidity where appropriate and manage the exposures they assume.

39. The resilience of a market is ultimately tested when conditions become difficult. A deep market is not one in which prices never move sharply, or participants never incur losses. It is one in which credible prices continue to emerge, transactions remain possible, and risks can be transferred without disorderly disruption.

40. Building markets with these characteristics cannot be the task of the regulator alone. This brings me to my third proposition: it requires coordinated effort across the financial-market ecosystem.

Market Development: a Shared Responsibility

41. The role of the regulator is to provide a clear, proportionate and predictable framework within which markets can develop. This includes removing unnecessary barriers, enabling products that serve genuine economic needs, supporting reliable market infrastructure and ensuring that innovation does not come at the cost of stability, transparency or customer protection.

42. Regulation must also evolve with the market. This requires continued engagement with participants, a willingness to review whether existing rules remain fit for purpose and reasonable time for institutions to build the systems and capabilities needed to implement change. At the same time, the pursuit of market development cannot dilute prudential standards or weaken safeguards against misconduct.

43. An enabling framework is only the beginning. Liquidity cannot be created through regulation, nor can participation be mandated into becoming meaningful. Market institutions must invest in the capabilities required to quote prices, assess risks, manage inventories and remain active across market conditions.

44. Your institutions therefore have a particularly important role. You are not merely users of markets; you are also intermediaries through which markets acquire depth. Your willingness to provide liquidity, develop expertise and support a wider range of issuers and investors will determine whether permitted products become functioning markets.

45. This responsibility extends to product design and distribution. Institutions must ensure that products address genuine customer needs, that risks are explained clearly and that pricing is fair and transparent. Sustainable market development depends on confidence, and confidence is difficult to build but easily lost.

46. Issuers and investors also have responsibilities. Issuers must provide timely and reliable information and maintain high standards of governance and disclosure. Investors, in turn, must strengthen their capacity to evaluate risk independently rather than rely mechanically on external ratings or prevailing market sentiment.

47. Market infrastructure institutions must continue to provide systems that are robust, transparent and capable of supporting growth without compromising operational resilience. Industry bodies can contribute by developing common standards, improving market practices and identifying frictions that inhibit participation.

48. Foreign and domestic institutions bring different strengths to this process. Institutions with experience across markets can contribute expertise, innovation and risk-management practices, while remaining attentive to local conditions and customer needs.

49. Thus, while the regulator can create the conditions for markets to develop, it is the market participants who must convert that opportunity into liquidity, capability and trust. The quality of India's financial markets will ultimately reflect the collective choices made across the ecosystem.

Conclusion

50. To conclude, as India moves towards 2047, we must build markets that are equal to the scale of its ambitions. They must channel savings into productive investment, enable risks to be priced and distributed efficiently, and serve businesses and investors with transparency and fairness. Above all, they must command confidence—not only when conditions are favourable, but also when markets are tested. Regulation can endeavour to create the conditions for such markets, but participants must provide the capability, liquidity and conduct that sustain them.

51. With this, let me thank Mr P D Singh once again for inviting me to be with you today, and wish you a very engaging evening ahead. Thank you.

Source: https://www.rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1565

BFSI NEWS

RBI allows banks to link bulk deposit rates to liquidity profile

The Reserve Bank of India (RBI) has given banks greater flexibility in pricing bulk deposits, allowing them to offer differential interest rates based on the liquidity characteristics of such deposits under the Liquidity Coverage Ratio (LCR) framework.

The central bank, however, has retained the broader principle of uniformity in deposit pricing.

Interest rates offered on deposits, including bulk deposits, must be uniform across all branches and customers, and banks cannot discriminate between deposits of a similar amount accepted on the same date at any of their offices, the central bank said.

"A bank shall have the freedom to offer differential interest rate on bulk deposits, by considering the differential run-off rate applicable to deposits or unsecured wholesale funding under the LCR framework," it said.

The flexibility will be available for both domestic rupee bulk deposits and rupee deposits of non-residents.

The move marks a change in the pricing framework for bulk deposits, with banks now allowed to consider the applicable run-off rate under the LCR framework while deciding the interest rate offered on such deposits.

The LCR-linked provision allows banks to consider the applicable run-off rate while pricing bulk deposits, while continuing to follow the requirement of non-discriminatory pricing for comparable deposits.

The LCR framework requires banks to maintain sufficient high-quality liquid assets to withstand net cash outflows during a period of liquidity stress. Different categories of deposits and unsecured wholesale funding attract different run-off rates under the framework.

Alongside the pricing flexibility, the RBI has introduced disclosure requirements for bulk deposit rates. Banks will have to disclose the interest rates payable on bulk deposits on their websites at 10 am on every business day, with a grace period of 10 minutes.

Further, interest rates payable on deposits, including bulk deposits, will have to strictly conform to the schedule of interest rates disclosed in advance on the bank's website.

The revised framework will come into effect from October 1, 2026.

In June, the RBI had released a draft framework proposing to allow banks to offer differential interest rates on bulk deposits based on their liquidity characteristics under the Liquidity Coverage Ratio (LCR) framework.

RBI however, said the interest rates offered on deposits, including bulk deposits, shall be uniform across all branches and for all customers and there shall be no discrimination in the matter of interest paid on the deposits, between one deposit and another deposit of similar amount, accepted on the same date, at any of its offices.

Experts had said the move could usher in risk-based deposit pricing by allowing banks to offer different rates within the same deposit category based on the liquidity costs associated with such deposits. It would also give lenders greater flexibility to align deposit rates with regulatory costs, manage their cost of funds and asset-liability mismatches more efficiently, and eliminate the need to create separate maturity buckets to differentiate pricing.

However, experts had said the move was unlikely to materially affect deposit mobilisation or trigger a pricing war in the near term.

Banks with stronger low-cost current account and savings account (CASA) franchises could have greater flexibility in pricing bulk deposits, while those with weaker CASA bases may need to offer higher rates.

The RBI direction comes at a time when HDFC Bank, India's largest private sector lender, on Monday said its board had issued warning letters and imposed a monetary penalty of ₹1 lakh each on three senior executives after an internal review into the bank's arrangements with the Maharashtra State Road Development Corporation (MSRDC) to garner deposits in 2017 and 2021.

HDFC Bank denied any wrongdoing, saying all matters are handled in accordance with established processes and internal controls.

Source: https://www.moneycontrol.com/news/business/banks-pass-rbi-s-stress-test-but-nbfcs-and-oil-shocks-keep-financial-stability-on-watch-13962381.html

One Year of Ajay Seth at IRDAI: The Regulatory Changes That Shaped India's Insurance Sector

As Ajay Seth completes one year as Chairman of the Insurance Regulatory and Development Authority of India (IRDAI) on July 24, the insurance regulator has spent the past 12 months advancing a series of regulatory reforms aimed at simplifying compliance, widening insurance access, strengthening consumer protection and accelerating digital adoption. The period has also seen the regulator continue its long-term 'Insurance for All by 2047' agenda, while balancing market development with tighter governance and policyholder safeguards.

When Ajay Seth assumed office on July 24, 2025, IRDAI was in the midst of implementing its broader reform agenda under the 'Insurance for All by 2047' vision. Rather than introducing an entirely new regulatory direction, the focus over the past year has largely been on operationalising reforms, tightening governance standards and strengthening policyholder protection.

Here's a timeline of the regulatory changes brought in by the IRDAI Chairman:

December 2025: Board Flags Rising Commissions and Profitability Concerns

Minutes of IRDAI's 133rd Authority meeting reflected concerns over rising commission payouts and weakening profitability across parts of the industry. The Authority observed that higher acquisition costs could ultimately erode policyholder value and highlighted the need to review distribution economics, laying the groundwork for subsequent reforms around commissions and mis-selling.

June 2026: ₹800-Crore Policyholders' Protection and Education Fund Proposed

Following the enactment of amendments to the Insurance Act, IRDAI proposed creating a dedicated Policyholders' Protection and Education Fund (PPEF) with an initial corpus of around ₹800 crore. Draft regulations issued during the year outlined the fund's governance structure and proposed that it be used for consumer awareness, financial literacy, research, legal aid and initiatives to improve policyholder protection across the country.

May 2026: Executive Pay Linked to Customer-Centric Outcomes

In one of the year's most significant governance reforms, IRDAI directed insurers to link the performance-based remuneration of Key Managerial Personnel (KMPs) with governance and customer-centric metrics. At least half of variable pay is proposed to be evaluated against parameters such as grievance redressal, claims servicing, regulatory compliance, fair conduct, elimination of unfair trade practices and removal of dark patterns, making policyholder outcomes an integral part of executive performance assessment.

July 2026: Crackdown on Dark Patterns Begins

As digital insurance distribution gathered pace, IRDAI stepped up scrutiny of "dark patterns", digital interfaces that manipulate customers or make insurance purchases less transparent. In April, insurers were asked to undertake self-assessments of their digital journeys. After most insurers reported that they did not use such practices, the regulator commissioned the Institute of Public Auditors of India to independently study and monitor dark patterns across the sector over nine months.

Ajay Seth also publicly criticised practices such as requiring customers to share their mobile numbers or personal information before being able to view insurance products or premium quotes, describing such practices as inconsistent with fair customer treatment.

Distribution Reforms and Mis-selling Under Review

IRDAI also initiated a broader review of the insurance distribution framework, with proposals expected to address persistent concerns around mis-selling, high upfront commissions and distributor incentives. The regulator is examining changes that could better align distributor compensation with long-term policy servicing instead of upfront sales, while improving transparency across distribution channels.

Sharper Focus on Governance and Board Accountability

Throughout the year, the regulator continued reinforcing board accountability through revised governance expectations, placing greater emphasis on compliance, operational resilience, risk management and customer outcomes. The governance framework increasingly seeks to shift responsibility for conduct and policyholder protection from compliance teams to boards and senior management.

Consumer Protection Becomes Central to Regulation

Beyond governance, IRDAI consistently stressed improvements in claims settlement, grievance redressal and product disclosures. The regulator's interventions increasingly reflected a shift towards outcome-based supervision, where insurers are expected to demonstrate not only compliance with regulations but also fair treatment of policyholders throughout the product lifecycle.

While several reforms announced during Seth's first year are still at the consultation or implementation stage, the direction of regulation has become clearer. Governance, transparency, digital conduct and policyholder protection have emerged as defining themes of IRDAI's agenda. As the regulator enters the second year of Seth's tenure, the focus is expected to shift towards implementing these proposals, reviewing distribution incentives and advancing the broader goal of expanding insurance penetration while strengthening consumer trust in the sector.

Source: https://bfsi.economictimes.indiatimes.com/articles/ajay-seths-impact-on-irdai-key-regulatory-changes-transforming-indias-insurance-sector/132603848

RBI Circulars July - 2026

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/222 DOR.AML.REC.192/ 14.06.001/ 2026-27	31.7.2026	Department of Regulation	Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1988 (2011) Taliban Sanctions List: Amendment of 05 Entries:	The Chairpersons/ CEOs of the Commercial Banks, Small Finance Banks, Payment Banks, Urban Co-operative Banks, Rural Co-operative Banks, Regional Rural Banks, Local Area Banks, Non-Banking Financial Companies, Asset Reconstruction Companies, All India Financial Institutions
RBI/DoS/2026-2027/221 DoS.CO.PPG.66/ 11.01.005/ 2026-27	31.7.2026	Department of Supervision	Consolidation of Supervisory Instructions – Repeal of Circulars	
RBI/2026-2027/220 DCM (FNVD) No.S1335/ 16.01.05/ 2026-27	31.7.2026	Department of Currency Management	Fake Indian Currency Notes (FICNs)-Detection, Reporting and Monitoring	The Chairman/ Managing Director/ Chief Executive Officer All Banks
RBI/2026-2027/219 DOR.SOG(SPE). REC.181/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Urban Co-operative Banks – Interest Rate on Deposits) Second Amendment Directions, 2026	
RBI/2026-2027/ 218 DOR.SOG(SPE). REC.177/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Local Area Banks – Interest Rate on Deposits) Second Amendment Directions, 2026	
RBI/2026-2027/ 217 DOR.SOG(SPE). REC.179/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Payments Banks – Interest Rate on Deposits) Amendment Directions, 2026	
RBI/2026-2027/ 216 DOR.SOG(SPE). REC.180/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Regional Rural Banks – Interest Rate on Deposits) Second Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/ 215 DOR.SOG(SPE). REC.178/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Interest Rate on Deposits) Second Amendment Directions, 2026	
RBI/2026-2027/ 214 DOR.SOG(SPE). REC.176/ 13.03.00/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Interest Rate on Deposits) Second Amendment Directions, 2026	
RBI/DOR/2026-2027/ 213 DOR.ACC.REC. No.190/ 21.04.018/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) Fourth Amendment Directions, 2026	
RBI/DOR/ 2026-2027/ 212 DOR.ACC. REC.No.189/ 29.67.001/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Governance) Third Amendment Directions, 2026	
RBI/DOR/2026-2027/ 211 DOR.ACC.REC. No.188/ 13-10-002/ 2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Asset Liability Management) Amendment Directions, 2026	
RBI/DOR/2026-2027/ 209 DOR.ACC. REC.No.187/ 21.04.018/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Payments Banks – Financial Statements: Presentation and Disclosures) Second Amendment Directions, 2026	
RBI/DOR/2026-2027/ 208 DOR.ACC. REC.No.186/ 29.67.001/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Payments Banks – Governance) Third Amendment Directions, 2026	
RBI/DOR/2026-2027/ 207 DOR.ACC. REC.No.184/ 21.04.018/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Eighth Amendment Directions, 2026	
RBI/DOR/2026-2027/ 206 DOR.ACC. REC.No.183/ 29.67.001/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Governance) Third Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/DOR/2026-2027/ 205 DOR.ACC.REC. No.182/ 13-10-001/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Asset Liability Management) Second Amendment Directions, 2026	
RBI/2026-2027/ 204 DOR.ACC.REC. No.185/ 21-02-002/2026-27	30.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Seventh Amendment Directions, 2026	
RBI/2026-2027/ 203 A.P. (DIR Series) Circular No.19	17.7.2026	Foreign Exchange Department	Special Rupee Vostro Accounts (SRVAs)	All Authorised Dealer Category-I banks
RBI/2026-2027/ 202 DOR.STR. REC.167/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Local Area Banks – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	
RBI/2026-2027/ 201 DOR.STR. REC.166/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Regional Rural Banks – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	
RBI/2026-2027/ 200 DOR.STR. REC.165/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Rural Co-operative Banks – Income Recognition, Asset Classification and Provisioning) Third Amendment Directions, 2026	
RBI/2026-2027/ 199 DOR.STR. REC.164/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Urban Cooperative Banks – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	
RBI/2026-2027/ 198 DOR.STR. REC.163/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (All India Financial Institutions – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/ 197 DOR.STR. REC.162/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Non-Banking Financial Companies Income Recognition, Asset Classification and Provisioning) Third Amendment Directions, 2026	
RBI/2026-2027/ 196 DOR.STR.REC.161/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	
RBI/2026-2027/ 195 DOR.STR. REC.160/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Second Amendment Directions, 2026	
RBI/2026-2027/ 194 DOR.STR. REC.175/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Local Area Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 193 DOR.STR.REC.174 / 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Regional Rural Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 192 DOR.STR.REC.173 / 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Rural Co-operative Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 191 DOR.STR. REC.172/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Urban Co-operative Banks – Resolution of Stressed Assets) Third Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/ 190 DOR.STR.REC.171/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 189 DOR.STR.REC.170 / 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 188 DOR.STR. REC.169/ 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026	
RBI/2026-2027/ 187 DOR.STR.REC.168 / 21-04-048/2026-27	16.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Third Amendment Directions, 2026	
RBI/2026-2027/ 186 DOR.AML. REC.159/ 14.06.001/2026-27	15.7.2026	Department of Regulation	Designation of 23 individuals under clause (a) of sub-section (1) and sub-section (2) of section 35 of the Unlawful Activities (Prevention) Act, 1967 and listed in the Fourth Schedule of the Act	The Chairpersons/ CEOs of the Commercial Banks, Small Finance Banks, Payment Banks, Urban Co-operative Banks, Rural Co-operative Banks, Regional Rural Banks, Local Area Banks, Non-Banking Financial Companies, Asset Reconstruction Companies, All India Financial Institutions
RBI/2026-2027/ 185 DOR.STR. REC.158/ 21-04-048/2026-27	15.7.2026	Department of Regulation	Reserve Bank of India (Urban Cooperative Banks – Credit Facilities) Second Amendment Directions, 2026	
RBI/2026-2027/ 183 DOR.STR. REC.156/ 21-04-048/2026-27	15.7.2026	Department of Regulation	Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Second Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/ 182 DOR.STR. REC.155/ 21-04-048/2026-27	15.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Credit Facilities) Fourth Amendment Directions, 2026	
RBI/2026-2027/ 181 DOR.STR. REC.154/ 21-04-048/2026-27	15.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Credit Facilities) Fifth Amendment Directions, 2026	
RBI/2026-27/ 184 DOR.STR.REC.157/ 21-04-048/2026-27	15.7.2026	Department of Regulation	Reserve Bank of India (All India Financial Institutions – Credit Facilities) Second Amendment Directions, 2026	
RBI/2026-2027/ 180 DOR.HGG. GOV.153/ 29.67.001/2026-27	14.7.2026	Department of Regulation	Reserve Bank of India (Local Area Banks – Governance) Amendment Directions, 2026	
RBI/2026-2027/ 179 DOR.HGG. GOV.152/ 29.67.001/2026-27	14.7.2026	Department of Regulation	Reserve Bank of India (Payments Banks – Governance) Amendment Directions, 2026	
RBI/2026-2027/ 178 DOR.HGG. GOV.151/ 29.67.001/2026-27	14.7.2026	Department of Regulation	Reserve Bank of India (Small Finance Banks – Governance) Amendment Directions, 2026	
RBI/2026-2027/ 177 DOR.HGG. GOV.150/ 29.67.001/2026-27	14.7.2026	Department of Regulation	Reserve Bank of India (Commercial Banks – Governance) Amendment Directions, 2026	

Circular Number	Date Of Issue	Department	Subject	Meant For
RBI/2026-2027/ 176 DOR.AML. REC.149/ 14.06.001/2026-27	09.7.2026	Department of Regulation	Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendment of 1 Entry	The Chairpersons/ CEOs of the Commercial Banks, Small Finance Banks, Payment Banks, Urban Co-operative Banks, Rural Co-operative Banks, Regional Rural Banks, Local Area Banks, Non-Banking Financial Companies, Asset Reconstruction Companies, All India Financial Institutions

Source: https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx

CORPORATE BOND MARKET NEWS

Indian Companies Raise ₹15,960 Crore Via Bond Issuances as Debt Market Momentum Builds

It is built upon the activity in June, where improved participants' borrowing ability, softening of crude oil prices, and changes in liquidity and interest rate from the Reserve Bank of India (RBI) were the factors most crucial for the rebound in the confidence of both issuers and investors.

Who Raised What: Friday's Key Bond Issuances

In terms of size, the large public sector lenders had a lead. Many of the large NBFCs also accessed the market through fresh issuances of bonds and/or reissues. Here's a snapshot:

Issuer	Amount Raised	Yield / Coupon	Maturity
NABARD	₹8,000 crore	7.16% (cutoff yield)	—
IIFCL	₹1,848 crore	7.25% (cutoff yield)	—
Bajaj Finance	₹4,000 crore	7.70% coupon	September 20, 2029
Bajaj Finance	₹1,305 crore	7.79% coupon	July 4, 2036
Aditya Birla Capital	₹556.8 crore	8.2484% YTM (reissuance)	April 30, 2036
Kotak Mahindra Prime	₹250 crore	7.6581% YTM (reissuance)	August 24, 2029

Highlights:

- NABARD was the top issuer for the day and raised ₹8,000 crores
- Bajaj Finance was the top issuer among the NBFCs and raised a total of ₹5,305 crores through two separate bond issues
- Aditya Birla Capital and Kotak Mahindra Prime raised funds through reissues of their existing bond series at a premium to the face value of the bonds.

NTPC Green Energy to Tap Market Next Week

NTPC Green Energy is planning new bond issuances to add to its existing offerings on Tuesday. The new plans involve the issuance of 10-year bonds with a target of raising ₹2,500 Crore with a greenshoe option of an additional ₹2,000 Crore. The ratings for the proposed issue are expected to remain AAA/Stable, which reflects CRISIL's and India Ratings' strong assessment of the proposed bonds.

What's Driving the Bond Market Rally

Market participants are seeing the strong market momentum continuing as a combination of macro and policy provisions.

- Liquidity and rate measures by RBI, reducing the cost of borrowing across the curve
- Reduced crude oil prices contribute to reducing inflation and improving the appetite for investment
- Improved confidence by issuers, as reflected in NABARD's offer acceptance for its entire ₹ 8,000 crore issue at ~7.16%. This is very encouraging, considering earlier in the year, sovereign-backed paper also struggled to find investors unless an attractive yield was offered.

"The positive momentum witnessed in June has clearly carried into July. Today's successful bond issuances by marquee names such as Nabard, IIFCL, and Bajaj Finance are the clearest real-economy confirmation that the RBI package and the crude correction have done what they were designed to do: Restore issuer confidence and investor risk appetite at the same time," said Venkatakrishnan Srinivasan, founder and managing partner of Rockfort Fincap. "That is a meaningfully healthier equilibrium than the one the market was in as recently as March, when even AAA sovereign-backed paper couldn't clear without conceding on yield. The rally is well-founded."

Outlook for India's Debt Market

Going forward, it appears that the possible addition of Indian bonds to the Bloomberg Global Aggregate Bond Index will further bolster the domestic bond market. The market participants did mention some variables that may impact this potential:

- Path of domestic inflation
- Shape of the ongoing monsoon
- Global politics

As for now, to many, the corporate bond market appears to be in one of the strongest phases in recent months, with renewed confidence on both sides (borrowers and investors).

Source: https://goldenpi.com/blog/bond-news/indian-companies-raise-%E2%82%B915960-crore-via-bond-issuances-as-debt-market-momentum-builds/

Upcoming Activities for

Department of Banking & Financial Services

ASSOCHAM
9th National Summit
& Awards on Corporate
Bond Market

20th August
2026

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