

DAILY NEWS DIGEST BY BFSI BOARD

03 March 2026



ECONOMY

Crude sustaining at \$80 threatens to stoke CPI Inflation by 0.4%, widen CAD by 0.3-0.5%: Tensions in the Middle East is pushing up prices of crude oil, which if sustained is likely to stoke inflation in India, widen the current account deficit, and impact growth, economists say. RBI has assumed India's crude oil basket price to average \$70 per barrel in 2025-26 for its inflation and growth assumptions. However, the Middle East conflict going on at the moment at lead crude oil prices to reach \$78 per barrel. Moreover, movement of ships through the Strait of Hormuz, which carries about 20 percent of the world's crude, has come to a standstill, as Iran continues to hit targets across West Asia in response to attacks by the US and Israel, as per industry sources. According to economists, if Brent crude sustains above \$80 post US–Israel strike on Iran, this would stoke CPI inflation by 0.2-0.4 percentage points.

(Moneycontrol)

India, Canada launch CEPA talks in New Delhi, target \$50 billion trade by 2030: India and Canada on Monday formally launched negotiations for a Comprehensive Economic Partnership Agreement (CEPA), marking a renewed push to expand bilateral trade and economic ties. The Ministry of Commerce & Industry said the two sides signed the Terms of Reference (ToR) for the India-Canada CEPA in New Delhi. The document was signed by Commerce and Industry Minister Piyush Goyal and Canada's Minister of International Trade Maninder Sidhu on March 2, 2026, and exchanged in the presence of Prime Minister Narendra Modi and Canadian Prime Minister Mark Carney at Hyderabad House.

(Business Today)

Rupee hits one-month low as Middle East conflict escalates: The Indian rupee fell to a one-month low amid escalating Middle East tensions, driving crude oil prices up to \$82 per barrel. The domestic currency declined 50 paise or 0.55% to 91.48 against the dollar on Monday, the worst single-day fall since January 21. The Reserve Bank of India (RBI) likely stepped in through its dollar sales, traders said. They added that the RBI defended the currency at 91.48 and capped further depreciation. The RBI is expected to sold around \$4.5 billion on Monday to curb the volatility, according to currency dealers.

(Financial Express)

CAD widens to 1.3% in Q3, reserves shrink by \$24.4-bn: India's current account deficit (CAD) increased to \$13.2 billion or 1.3% of the gross domestic product in Q3 2025-26 from \$11.3 billion (1.1%) in the year-ago period mainly due to a higher merchandise trade deficit, according to data released by the Reserve Bank of India (RBI) on Monday. The merchandise trade deficit was \$93.6 billion in Q3 this fiscal year, which is higher than the \$79.3 billion recorded in Q3FY25.

(Financial Express)

BANKING & FINANCE



Niva Bupa receives show cause notice from IRDAI: Niva Bupa Health Insurance has received a show cause notice and a letter of advice from the Insurance Regulatory and Development Authority of India over alleged violations related to health insurance business, policyholder protection and corporate governance norms. The Show Cause Notice relates to certain business and operational aspects of the company. Along with Show cause notice, IRDAI has also issued a Letter of Advice on certain matters, recommending compliance measures.

(Financial Express)

SEBI removes over 1.2 lakh misleading influencer posts, deploys AI tool 'Sudarshan': The Securities and Exchange Board of India (SEBI) has removed more than 1.2 lakh misleading social media posts by unregistered financial influencers as it

steps up digital surveillance using artificial intelligence tools, chairman Tuhin Kanta Pandey told ANI in an interview. Speaking to news agency ANI, Pandey said the regulator had taken down “more than 120,000 such pieces of content” after identifying “egregious behaviour violating our norms.”

(Financial Express)

State Bank of India announces exit of Nitin Chugh as Deputy MD: State Bank of India (SBI) on Monday said Nitin Chugh has been relieved from his position as Deputy Managing Director and Head (Digital Banking & Transformation) with effect from March 2, 2026. SBI said the move follows the completion of his contractual term. The bank did not name a successor in the filing.

(Economic Times)

Fino Payments Bank denies GST evasion, rejects betting links: Fino Payments Bank said it has not evaded GST or promoted betting after its MD & CEO Rishi Gupta was arrested by the Directorate General of GST Intelligence in a probe into alleged illicit fund flows via shell firms and payment aggregators. The bank said the investigation relates to third-party programme managers, not its own compliance, and that all onboarding and invoicing followed regulations.

(Economic Times)

HDFC Bank hikes locker rentals by up to 184%, introduces ‘Metro Plus’ category from April 1, 2026: HDFC Bank is set to revise its safe deposit locker rental structure, introducing a new ‘Metro Plus’ category and increasing annual charges across locker sizes. The updated rates will come into effect from April 1, 2026. Under the new framework, locker rentals will vary based on locker size and branch location classification- Metro Plus, Metro, Urban, Semi-Urban and Rural with GST charged additionally.

(Economic Times)

INDUSTRY OUTLOOK



M&M to exit Japan agri-machinery business in portfolio reset: Mahindra & Mahindra (M&M) on Monday said it will exit its agri-machinery business in Japan as part of a broader portfolio rationalisation and disciplined capital allocation strategy following a strategic review. The board of Mitsubishi Mahindra Agricultural Machinery Co Ltd (MAM), which operates the business in Japan, has approved a withdrawal from the agricultural machinery operations, the Mumbai-based automaker said in a regulatory filing.

(Financial Express)

IIP growth slows to 4.8% in January; India to shift base year to FY23 from May: India's Industrial Production (IIP) recorded a 4.8 % year-on-year (YoY) growth in January 2026 from 7.8% reported in December 2025. The government release noted that the IIP growth was supported by 4.8% growth in Manufacturing sector and 5.1% growth in Electricity sector. The general index for the month of January 2026 stood at 169.4, compared with 161.6 in January 2025. Manufacturing and electricity sectors supported overall industrial growth during the month. Manufacturing output rose 4.8%, while electricity generation increased 5.1%. Mining output grew 4.3% year-on-year.

(Financial Express)

India market capitalisation slips below \$5 trn for first time in 10 months: India has lost its \$5 trillion market capitalisation (mcap) tag following Monday's sharp selloff in equities and a simultaneous slide in the rupee. According to BSE data, the country's total market cap now stands at \$4.99 trillion — the lowest since May 9. In US dollar terms, India's mcap has declined nearly 13 per cent from its peak and is down about 5.6 per cent on a year-to-date basis, marking the steepest drop among major global markets. With the exception of the US, most large global markets have posted strong gains this year. China, Japan, and Taiwan have delivered double-digit returns.

(Business Line)



REGULATION & DEVELOPMENT

EPFO fixes 8.25% interest rate on employees' PF deposits for 2025-26:

Employees' Provident Fund Organisation (EPFO) on Monday fixed the interest rate on employees' provident fund (EPF) deposits for FY26 at 8.25 per cent, retaining the rate for the second consecutive year, news agency PTI reported citing a source. "The EPFO's apex decision making body, the Central Board of Trustees (CBT), has decided to provide 8.25 per cent rate of interest on EPF for 2025-26 at its meeting on Monday," the source told PTI. After the CBT decision, the interest rate on EPF deposits for FY26 will be sent to the Ministry of Finance for concurrence. After the government's ratification, the interest rate for 2025-26 will be credited into the accounts of over 70 million subscribers of EPFO.

(Business Standard)

Marquee PSUs slipping on corporate governance standards, says survey: A large number of public-sector companies —Maharatna and Navratna — are coming up short on several parameters of corporate governance, including having a minimum number of independent directors and appointing women directors, apart from doing succession planning and a shareholder-satisfaction survey. The fifth "Annual Corporate Governance Survey", by Excellence Enablers, found 36 such companies in FY25 had fewer than the prescribed minimum number of independent directors and 17 companies had no woman on their board. The Companies Act, 2013, mandates that every listed company have at least one-third of the number of directors as independent directors. "It is our expectation that if public-sector undertakings are not exempt from the provisions applicable to private companies, there would be value addition, leading to better corporate governance," the report said.

(Business Standard)

Manufacturing PMI climbs to four-month high in Feb, rises to 56.9: India's private sector manufacturing activity growth surged to a four-month high in February even as exports plummeted, according to data compiled by S&P Global on Monday. HSBC's India Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, which measures monthly change in manufacturing output, rose to 56.9 in February. This is the highest since October last year, and up from 55.4 in January. However, the latest figure — a weighted average of new orders, output, employment, suppliers' delivery times and stocks of purchases indices — was significantly lower than the Flash India Manufacturing PMI of 57.5, released last month.

(Business Standard)



FINANCIAL TERMINOLOGY

LABOUR FORCE PARTICIPATION RATE (LFPR)

- LFPR is defined as the percentage of persons in the labour force, either working, seeking or available for work, in the population. In the current weekly status (CWS), the activity status is determined based on the seven days prior to the survey date.
- LFPR is calculated by dividing the number of people in the labor force (employed or unemployed and available for work) by the total working-age population, and then multiplying by 100.
- In India, PLFS, launched in 2017, used to publish quarterly statistics for urban areas only, following CWS, and, on an annual basis, for both urban and rural areas in the usual status as well as the CWS, until it was revamped in January 2025.



RBI KEY RATES

Repo Rate: 5.25%
SDF: 5.00%
MSF & Bank Rate: 5.50%
CRR: 3.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 91.4514
INR / 1 GBP : 122.4499
INR / 1 EUR : 107.3920
INR /100 JPY: 58.2600

EQUITY MARKET

Sensex: 80238.85 (-1048.34)
NIFTY: 24865.70 (-312.95)
Bnk NIFTY: 59839.65 (-689.35)

Courses conducted by BFSI Board

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- ❖ Advance Certificate Course on FinTech
- ❖ Certificate Course on Project Financing
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- ❖ Certificate Course on Treasury, Foreign Exchange and International Banking

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- ❖ Monograph on Climate Risk and Green Finance-Banking Sector-International Practices and Indian Perspective (2nd Series)
- ❖ Guidance Note on Cost Control Strategies in the Banking Sector

TEAM BFSIB

Banking, Financial Services & Insurance Board The Institute of Cost Accountants of India (ICMAI)

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