

## **DAILY NEWS DIGEST BY BFSI BOARD**

***03 May 2025***



### **ECONOMY**

#### **India's manufacturing PMI rises to 10-month high of 58.2 in April as exports surge:**

With a rise in new export orders post US' tariff decision, India's manufacturing sector showcased a better performance in April as the Purchasing Managers' Index (PMI) increased to 58.2. It is a tad higher than 58.1 of March. "The headline figure was spurred by faster increases in stocks of purchases, employment and production," a statement by S&P Global said. The index is prepared on the basis of responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. Index rising above 50 indicates expansion, while dropping below 50 means contraction. Manufacturing is considered as India's largest job multiplier. It has a share of 17 per cent in the GDP (Gross Domestic Product). A better performance in manufacturing signals good growth expectations for industry and the economy.

***(Business Line)***

**S&P Global cuts India's growth forecast to 6.3% in FY26:** S&P Global on Friday lowered India's growth forecast for the current fiscal (2025-26) by 20 basis points (bps) and the next fiscal (2026-27) by 30 bps based on global growth trends. This is in line with the projections made by International Monetary Fund (IMF), World Bank and Reserve Bank of India (RBI), besides others. According to the rating agency, India is estimated to grow at 6.3 per cent in current fiscal, before rising to 6.5 per cent in the next fiscal.

***(Business Line)***

**India and EU Reaffirms Commitment to Conclude Ambitious FTA by the End of 2025, Deepen Strategic Trade Ties:** Shri Piyush Goyal, Minister of Commerce & Industry of India, and Mr. Maroš Šefčovič, European Commissioner for Trade and Economic Security, engaged in a forward-looking and substantive dialogue to address global trade challenges and reaffirm their shared resolve to conclude the India-European Union Free Trade Agreement (FTA) by the end of 2025. This commitment builds on the strategic direction given by Prime Minister, Shri Narendra Modi and

President of the European Commission, Ms. Ursula von der Leyen during the landmark visit of the EU College of Commissioners to New Delhi in February 2025. India emphasized that meaningful progress in trade negotiations requires equal focus on non-tariff barriers (NTBs) alongside tariff discussions and regulatory frameworks must be inclusive, proportionate, and avoid restricting trade.

**(PiB)**

## BANKING & FINANCE



**RBI imposes penalties on ICICI Bank, Bank of Baroda, 2 other lenders:** The Reserve Bank on Friday said it has imposed penalties on four banks, including ICICI Bank and Bank of Baroda, for deficiencies in regulatory compliances. Penalty of Rs 97.80 lakh has been imposed on ICICI Bank for non-compliance with certain directions issued by the Reserve Bank of India (RBI) on 'Cyber Security Framework in Banks', 'Know Your Customer (KYC)', and 'Credit Card and Debit Card -- Issuance and Conduct'.

**(Economic Times)**

**India's borrowers are getting younger with every passing generation:** Indians are starting their credit journeys much earlier, with the average age dropping significantly across generations. Those born in the 1990s are entering the credit system as early as 25, often with unsecured products, contrasting with the 1960s generation who typically started with home loans around age 47. A study by Paisabazaar, which analysed data from over 10 million consumers, reveals that the average age for first-time borrowers has fallen by 21 years across three generations.

**(Economic Times)**

**Gold loans double in FY25, despite slowdown in bank credit growth:** Indians are increasingly turning to gold to access credit, with bank loans against the yellow metal more than doubling in the year ended March 2025. The outstanding gold loans surged by 103%, rising from just over Rs 1 lakh crore to nearly Rs 2.1 lakh crore, making it the fastest-growing loan category even as overall credit growth lost momentum, reported TOI, citing the Reserve Bank of India (RBI).

**(Economic Times)**

**FSIB recommends Sanjay Joshi as Oriental Insurance Company Limited's CMD:** The Financial Services Institutions Bureau (FSIB) on Friday recommended Sanjay Joshi for the position of Chairman-cum-Managing Director (CMD) at Oriental Insurance Company Limited (OICL). The post fell vacant after R R Singh retired at the end of February. Recently, the government had

appointed Executive Director Amit Misra as acting CMD of the company for three months from 1 March 2025.

***(Business Standard)***

**IOB net profit crosses Rs 1K-crore mark for first time; up 35% in Q4:** Indian Overseas Bank's (IOB's) net profit grew 35 per cent year-on-year (Y-o-Y) to ₹1,091.94 crore in the fourth quarter of FY25 — the first instance of the lender reporting a quarterly net profit of more than ₹1,000 crore. The bank's total operating income increased 15 per cent Y-o-Y to ₹7,634.81 crore. For full FY25, the bank's net profit rose 27 per cent to ₹3,395.51 crore, as against ₹2,665.66 crore in FY24. On the asset quality front, the bank's gross non-performing assets (NPAs) moderated 96 basis points to 2.14 per cent, compared to 3.10 per cent in FY24. Similarly, net NPAs came down to 0.37 per cent of advances, from 0.57 per cent at the end of 2024.

***(Business Standard)***

## INDUSTRY OUTLOOK



**‘Made in India’ iPhones to dominate US market in June quarter, says Tim Cook:** Apple will source the majority of the iPhone sold in the US from India in the June quarter while China will produce the vast majority of the devices for other markets amid uncertainty over tax tariffs, a top official said on Friday. During the company's second-quarter earnings call, Apple CEO Tim Cook said the company made quarterly records in several countries, including India. The company, however, recorded the seventh straight quarter of sales decline in China where it produced the largest volume of iPhones.

***(Business Line)***

**India's Total Exports Grow by 6.01% to Reach Record \$824.9 Billion in 2024–25, Up from \$778.1 Billion in 2023–24: RBI Report:** India's total exports have touched an all-time high of US\$824.9 billion in the financial year 2024–25, as per the latest data released by the Reserve Bank of India on services trade for March 2025. This marks a growth of 6.01% over the previous year's export figure of US\$778.1 billion, setting a new milestone in the country's trade trajectory. Services exports continued to drive the growth momentum, reaching a historic high of US\$387.5 billion in 2024–25, up 13.6% from US\$341.1 billion in the previous year. For March 2025, services exports stood at US\$35.6 billion, reflecting a year-on-year growth of 18.6% compared to US\$30.0 billion in March 2024.

***(Business Line)***

**Infosys acquires Australian cybersecurity firm for Rs 532 crore:** Infosys has acquired Australian cybersecurity services company The Missing Link for approximately Rs 532 crore (Australian dollar 98 million), according to an exchange filing. The acquisition was carried out through an all-cash transaction by Infosys Singapore Pte, a wholly-owned subsidiary of Infosys. The acquisition is intended to enhance Infosys' cybersecurity capabilities and broaden its footprint in the Australian market. "The Missing Link brings to Infosys a group of highly skilled cybersecurity professionals... adding to the network of Infosys' global cyber defence centres," Infosys said in a statement. Infosys had revealed last month that it was pursuing the acquisition of the Australian company, established in 1997 and specialising in cybersecurity and cloud services.

**(Business Standard)**



## REGULATION & DEVELOPMENT

**RBI's working group recommends extending call money market timings:** A working group set up by the Reserve Bank of India (RBI) has recommended the extending of trading timings for the call money market to 7 PM from the current timing of 5 PM. This, to meet the needs of the banks in real-time payment system. The group, however, has not recommended changing the timings of the government securities, interest rate derivatives, and foreign exchange markets. The working group was chaired by Radha Shyam Ratho, Executive Director, RBI. The central bank has set up the working group, which was announced in the February monetary policy. The report said that standalone primary dealers (SPDs) have given the suggestions or feedback to extend the call money market timings and the reporting window including for cancelled transactions may be permitted till 7:30 PM.

**(Moneycontrol)**

**RBI seeks lifting cap on 'vostro' accounts investments to push rupee-denominated trade, sources say:** The Reserve Bank of India has sought the government's approval to remove the cap on foreign banks with so-called vostro accounts buying short-term sovereign debt, to boost rupee-denominated investment and trade, according to two sources and a letter seen by Reuters. The Reserve Bank of India (RBI), in 2022, allowed overseas banks to open Special Rupee Vostro Accounts (SRVAs) to settle trade transactions in the rupee as part of its efforts to boost the currency's "internationalisation". The holders of such accounts can invest in Indian government debt without registering as foreign portfolio investors (FPIs), as overseas investors have to. However, the government slapped a limit of using only 30% of account balances to buy securities with residual



maturity under one year, including treasury bills. Based on the feedback from vostro account holders, this cap should be removed, the RBI recommended to the federal finance ministry in a letter last month.

***(Economic Times)***

**Sebi mulls easing InvIT, REIT norms to boost ease of doing business:** The market regulator is mulling relaxations to the Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) framework in a bid to promote ease of doing business. The Securities and Exchange Board of India (Sebi) issued a discussion paper on Friday proposing a slew of reliefs. These include changes in the definition of ‘public’ for minimum public unitholding requirement, alignment of minimum allotment with trading lot for privately placed InvITs, and timelines for submitting various reports. Sebi has also sought comments on adjustment of negative cash flows at holding companies with distributions received from special purpose vehicles (SPVs) in calculation of net distributable cash flow (NDCF). NDCF refers to the amount a REIT can distribute to its unitholders after deducting all operational expenses and obligations.

***(Business Standard)***



# FINANCIAL TERMINOLOGY

## GDP Vs GNP

- ❖ Gross domestic product (GDP) is the value of the finished domestic goods and services produced within a nation's borders. On the other hand, gross national product (GNP) is the value of all finished goods and services produced by a country's citizens, both domestically and abroad.
- ❖ GDP and GNP are two of the most commonly used measures of a country's economy. Both represent the total market value of all goods and services produced over a certain period. However, they are calculated in slightly different ways.
- ❖ These metrics reflect different ways of measuring the scope of an economy. While GDP limits its interpretation of the economy to the geographical borders of the country, GNP extends it to include the net overseas economic activities performed by its nationals.



**ICMAI**  
THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA  
(Statutory Body under an Act of Parliament)

[www.icmai.in](http://www.icmai.in)

Telephones: +91-33- 2252-1031/1034/1035  
+ 91-33-2252-1602/1492/1619  
+ 91-33- 2252-7143/7373/2204  
Fax :+91-33-2252-7993  
+91-33-2252-1026  
+91-33-2252-1723

### **RBI KEY RATES**

Repo Rate: 6.00%  
SDF: 5.75%  
MSF & Bank Rate: 6.25%  
CRR: 4.00%  
SLR: 18.00%  
Fixed Reverse Repo: 3.35%

### **FOREX (FBIL 1.30 PM)**

INR / 1 USD : 83.8568  
INR / 1 GBP : 111.6134  
INR / 1 EUR : 94.9483  
INR /100 JPY: 57.7400

### **EQUITY MARKET**

Sensex: 80501.99 (+259.75)  
NIFTY: 24346.70 (+12.50)  
Bnk NIFTY: 55115.35 (+28.20)

### **Courses conducted by BFSI Board**

- ❖ **Certificate Course on Concurrent Audit of Banks**
- ❖ **Certificate Course on Credit Management of Banks**
- ❖ **Certificate Course on Treasury and International Banking**
- ❖ **Certificate Course on Investment Management**
- ❖ **Certificate Course on General Insurance.**
- ❖ **Advance Certificate Course on FinTech**

**For details please visit  
BFSIB portal of the ICMAI**

### **Publications by BFSI Board**

- ❖ **Aide Memoire on Infrastructure Financing.**
- ❖ **Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).**
- ❖ **Guidance Note on the Internal Audit of General Insurance Companies.**
- ❖ **BFSI Chronicle (quarterly issue of BFSIB)**
- ❖ **Handbook on Stock & Book Debts Audit (Revised and Enlarged 2<sup>nd</sup> Edition)**

**To purchase please visit  
BFSIB portal of ICMAI**

### **TEAM BFSIB**

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

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