

DAILY NEWS DIGEST BY BESI BOARD

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ECONOMY

Cost of government borrowing rises amidst softening interest rate regime: The cost of government borrowing has gone up even as the Reserve Bank of India is ushering in a softer interest rate regime, with the market unwilling to ease yields. This is borne out by the auction of the new 10-year Government Security (G-Sec/GS), conducted by the RBI on Friday. The 6.48 per cent coupon rate that emerged at the auction of the new 10-year G-Sec is 15 basis points higher than the coupon rate of the current 10-year benchmark paper (6.33 per cent GS2035). The spike in yields on August 25 was on account of concerns then that the Government may borrow more to make up for the revenue shortfall due to GST cuts, he added. From the high of 6.60 per cent, yields have now stabilised at 6.52 per cent.

(Business Line)

India's efforts to increase exports to Russia gets a boost with Putin's assurance on softening trade imbalance: Russian President Vladimir Putin's assurance that measures were being devised to soften the trade imbalance between India and Russia while encouraging New Delhi to keep purchasing oil from Moscow has come as a shot in the arm for ongoing efforts of the Commerce Department to push exports to the country. The Indian government is engaged with various export sectors to identify tariff and non-tariff barriers that could be addressed by Russia to increase imports from the country and bridge the ballooning trade deficit of \$59 billion.

(Business Line)

India's forex reserves fall \$2.3 billion to \$700.23 billion, shows RBI data: India's foreign exchange (forex) reserves fell by \$2.3 billion to \$700.23 billion in the week

ended September 26, latest data from the Reserve Bank of India (RBI) released on Friday shows. Last Friday, forex reserves had declined by \$396 million to \$702.57 billion. This week's data shows that foreign currency assets, a major component of the reserves, decreased by \$4.393 billion to \$581.757 billion. Foreign currency assets include foreign currencies, bonds, and securities held by a country's central bank in currencies other than its own.

(Business Standard)

BANKING & FINANCE



RBI proposes easing ECB norms: Flexible limits, relaxed rules, wider access for India Inc borrowing: RBI has proposed a significant easing of rules for External Commercial Borrowings (ECBs), aimed at making overseas fundraising simpler and more attractive for Indian companies. The draft framework, issued on October 3, 2025, seeks to rationalise the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 under FEMA, 1999. The draft framework highlights four major changes: Borrowing limits tied to financial strength, Market-determined interest rates, Simplification of end-use and maturity rules and Expansion of borrower and lender base. In addition, the RBI has proposed simplifying reporting requirements to reduce compliance burdens.

(Business Today)

RBI slaps penalties on American Express Banking Corp, HDB Financial Services: The Reserve Bank of India (RBI) on Friday said it has imposed a penalty of Rs 31.80 lakh on American Express Banking Corp for non-compliance with certain directions on 'Credit Card and Debit Card - Issuance and Conduct'. The central bank has also imposed a penalty of Rs 4.2 lakh on HDB Financial Services for non-compliance with certain provisions of the 'Reserve Bank of India (Know Your Customer (KYC) Directions, 2016'.

(Economic Times)

RBI grants self-regulatory body status to FIDC for non-bank lending sector: The Reserve Bank of India granted "self-regulatory organisation" status to the Finance Industry Development Council (FIDC) on Friday to help ensure regulatory compliance in the non-banking lending sector. This action aims to enhance compliance in the non-banking lending sector. SROs develop industry standards and ensure member adherence. They also collaborate with the RBI for regulatory oversight. FIDC represents major non-banking financial companies. This strengthens financial market regulation.

(Economic Times)

RBI reports widening credit-deposit growth gap amid rising loan demand: Bank credit growth is increasingly outpacing deposit mobilisation, with the gap widening as deposit rates fall sharply. Despite this, bankers anticipate higher loan demand in the festive season and Q3, driven by lower GST rates and the Reserve Bank of India's regulatory push to boost credit flow and bank resilience.

(Economic Times)

Banks move to continuous cheque clearing, funds in hours from October 4: Banks will transition to a continuous cheque clearing system from the fixed batch format starting Saturday, a move which will enhance customer convenience, industry experts said. Under the new system, cheques will no longer be processed in fixed batches. Instead, cheques received at bank branches will be scanned and sent to the clearing house continuously during the presentation session, which runs from 10 am to 4 pm. The clearing house will release cheque images to drawee banks on a continuous basis, allowing each cheque to be settled on a near real-time basis, instead of following the current T+1-day clearing cycle.

(Business Standard)

INDUSTRY OUTLOOK



Govt launches probe into e-commerce platforms charging extra for COD orders:

The government has launched a formal investigation into e-commerce platforms charging extra for Cash-on-Delivery (COD) orders, calling the practice a “dark pattern” that misleads and exploits consumers. “The Department of Consumer Affairs has received complaints against e-commerce platforms charging extra for Cash-on-Delivery, a practice classified as a dark pattern that misleads and exploits consumers,” Consumer Affairs Minister Pralhad Joshi said in a post on X on October 3. “A detailed investigation has been initiated and steps are being taken to scrutinize these platforms closely. Strict action will be taken against those violating consumer rights to ensure transparency and uphold fair practices in India’s growing e-commerce sector,” he added.

(Moneycontrol)

NITI proposes measures to ease foreign firms' operations in India:

NITI Aayog has proposed an optional presumptive taxation regime for foreign companies operating in India, aimed at reducing litigation, bringing greater certainty, and easing compliance costs. The recommendation appeared in the think tank’s latest Tax Policy Working Paper Series-1 released on Friday. Under the proposed scheme, foreign firms could opt in to a simplified mechanism where they pay taxes on a predefined, sector-specific percentage of their gross revenues from India. Firms choosing this route would benefit from safe harbour protection as tax authorities would not separately litigate the existence of an PE for that activity, relieving them from maintaining exhaustive books locally.

(Business Standard)

Maharashtra launches e-bond system for import-export, replaces paper bonds:

In a move aimed at simplifying trade and boosting business efficiency, the Maharashtra government on Friday introduced a new 'e-bond' system for import and export

transactions, replacing the traditional paper stamp bonds. With the adoption of the e-bond system, Maharashtra has become the 16th state in the country to do so, Revenue Minister Chandrashekhar Bawankule said in a statement.

(Business Standard)



REGULATION & DEVELOPMENT

Aadhaar card update fees hiked: Government revises charges for demographic, biometric, and document updates: UIDAI has announced a revision in Aadhaar update fees, effective October 1, 2025. The new structure, applicable until September 30, 2028, increases charges for demographic, biometric, and document updates. This is the first major revision in nearly five years, with another hike scheduled from October 1, 2028, to September 30, 2031. Under the revised charges, Aadhaar generation remains free for residents, but registrars will receive Rs 75 for children under 5 years and Rs 125 for those above 5 years. Mandatory biometric updates for children aged 5–7 and 15–17 remain free, while adults pay Rs 125. Demographic updates, such as changes to name, address, or date of birth, now cost Rs 75, whether done online or at enrolment centres. Proof of Address (PoA) or Proof of Identity (PoI) document updates also cost Rs 75. Aadhaar reprints are priced at Rs 40. From October 2028, fees will rise further. Registrars will be compensated Rs 90 for children's Aadhaar generation and Rs 150 for residents above 5 years. Biometric updates for all categories will cost Rs 150. Demographic and document updates will be charged at Rs 90, while Aadhaar reprints will cost Rs 50.

(Moneycontrol)

PFRDA jointly Launches NPS for Goa's Driver Community with GoaMiles and HDFC Pension Fund (PoP): In a special initiative aimed at strengthening social security for the informal workforce, PFRDA jointly launched National Pension System (NPS) for Goa's Driver Community with GoaMiles and HDFC Pension Fund (PoP). The initiative will provide nearly 5,000 drivers operating on the GoaMiles platform with access to structured retirement planning. At the event, 50 Permanent Retirement

Account Numbers (PRANs) were distributed to drivers, symbolizing the rollout of the scheme. GoaMiles will contribute in each of NPS account of the mobility partners. The initiative reinforces PFRDA's mission of making "Every Profession, One Pension" a reality and spreading the message that "NPS Zaruri Hai"

(PiB)

Centre bars cough syrups for children below 2 years: The Union government has barred the prescription of cough and cold medications for children under the age of two following reports of child deaths allegedly linked to contaminated syrups in Madhya Pradesh. The Directorate General of Health Services (DGHS), under the Union Health Ministry, issued the advisory directing all states and Union Territories to enforce this restriction. It emphasized that cough syrups are generally discouraged for children under five and should only be used in older children after thorough clinical evaluation and under strict supervision.

(Business Today)



FINANCIAL TERMINOLOGY

BROWN BAG MEETING

- A brown bag meeting is an informal meeting or training that generally occurs in the workplace around lunchtime. This type of meeting is referred to as a brown bag meeting or a brown bag seminar because participants typically bring their lunches, which are associated with being packed in brown paper bags.
- Meetings of this kind don't necessarily have to occur during the lunch hour and can take place at any time during the workday or after hours. They usually are held in conference rooms.

RBI KEY RATES

Repo Rate: 5.50%
SDF: 5.25%
MSF & Bank Rate: 5.75%
CRR: 3.50%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 88.7775
INR / 1 GBP : 119.3211
INR / 1 EUR : 104.0804
INR /100 JPY: 60.1600

EQUITY MARKET

Sensex: 81207.17 (+223.86)
NIFTY: 24894.25 (+57.95)
Bnk NIFTY: 55589.25 (+241.30)

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TEAM BFSIB

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

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