

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

06 February 2026



### **ECONOMY**

**India-US trade pact timeline set; first tranche in 4-5 days:** India on Thursday established a definitive timeline for its high-stakes Bilateral Trade Agreement (BTA) with the US. Commerce and Industry Minister Piyush Goyal announced that the two sides will sign a joint statement on the first tranche of the BTA within the next four to five days, following which US tariffs on Indian exports will be brought down to 18 per cent from the current 50 per cent. The reduced tariffs would be operationalised through a US executive order, expected a day or two after the joint statement is signed, the Minister said.

**(Business Line)**

**PM Modi says EU, US trade deals open new opportunities for youth, SMEs:** Prime Minister Narendra Modi on Thursday said India's recent trade deals with the European Union (EU) and the United States would open up opportunities for the country's youth and for its small and medium enterprises (SMEs). He said a new world order was taking shape just as it had after the Second World War, but on this occasion it was tilting towards India. Modi said the world was feeling more confident about stability after these developments, and he urged Indian manufacturers to focus on the "quality" of their products even if it meant lower profits.

**(Business Standard)**

## **BANKING & FINANCE**



**Federal Bank receives RBI approval for Blackstone's 9.99% stake buy:** RBI has given its approval to Blackstone for acquiring an aggregate stake of up to 9.99% in Federal Bank, the private lender said on Thursday. Private equity firm Blackstone is acquiring stake through its arm Asia II Topco XIII Pte Ltd. Blackstone's proposed investment in Federal Bank is set to mark one of the biggest private equity entries into India's private banking space, underscoring growing global investor confidence in the country's financial services sector. The deal, which would make Blackstone the largest shareholder in Federal Bank, involves an investment of around \$700 million for a 9.9% stake.

**(Moneycontrol)**

**LIC Q3 FY26 profit rises 17% to Rs 12,958 crore on strong premium growth:** State-owned life insurer Life Insurance Corporation of India (LIC) reported a 17 per cent jump in net profit at Rs 12,958 crore in the third quarter ended December 2025. The country's biggest insurer earned a net profit of Rs 11,056 crore in the year-ago period. During the quarter, the net premium income of the insurer rose to Rs 1,25,613 crore from Rs 1,06,891 crore in the same period a year ago. The total income also improved to Rs 2,33,984 crore in the latest December quarter compared to Rs 2,01,994 crore in the same period a year ago.

**(Financial Express)**

**Grievances in general, health insurance jump 41% in FY25:** Policyholder complaints against insurance companies, particularly for health covers, surged in FY25. Grievances in general and health insurance jumped 41% to 1,37,361. Standalone health insurers saw a 33% rise. Claims settlement issues, including repudiation and delays, were the primary cause. Life insurance complaints focused on survival claims and servicing. Irdai is addressing mis-selling concerns.

**(Economic Times)**

**SBI raises \$1 billion from MUFG via social loan:** State Bank of India has secured a significant \$1 billion loan from Japan's MUFG. This marks the first social loan of its kind for an Indian bank. The funds are earmarked for lending to women and women-led businesses. This initiative aims to boost women's economic empowerment and promote gender equality.

*(Economic Times)*

**PSB meet for road map to create global lenders likely this month:** The government is likely to convene a conclave for state-run banks later this month to formulate strategy and road map to build globally competitive lenders keen to ready the banking system for Viksit Bharat 2047. The conclave will also look to build a consensus on strengthening customer-centric initiatives across all 12 state-run lenders. Banks will also discuss future strategy initiatives and operational interventions that could help them scale up and expand credit, people familiar with the developments said. "The idea is to devise a strategy for execution of the key central themes identified during PSB Manthan in September 2025. In addition, the banks will be sharing their best practices and business roadmap for the next five years,"

*(Economic Times)*

## INDUSTRY OUTLOOK



**Wall Street falls as Big Tech AI spending rattles investors:** Wall Street ended sharply lower on Thursday, with the Nasdaq dragged to its lowest since November by losses in Microsoft, Amazon and other tech heavyweights after Alphabet said it could double capital spending on AI in the race to dominate the emerging technology. Shares of Alphabet fell 0.55% after the Google parent said it plans as much as \$185 billion in capex in 2026. Together, it and its Big Tech rivals are expected to collectively shell out more than \$500 billion on AI this year. Investors this week have also worried that rapidly improving AI tools could eat into demand for traditional software, squeezing profit margins across the sector. Software and data services stocks added to recent losses, with ServiceNow down 7.6% and Salesforce losing almost 5%.

**(Business Line)**

**DPIIT revises start-up definition, introduces deep-tech category:** The Centre by way of a modification to the 'start-up definition' now explicitly recognises 'deep-tech' start-ups and will also allow such companies to be considered as start-ups for 20 years after incorporation. The Department for Promotion of Industry and Internal Trade (DPIIT) under the Ministry Of Commerce has issued a notification modifying its erstwhile 2019 Rules for recognition of start-ups. It has now introduced a new criterion for an entity to be classified as a 'deep-tech start-up.' The new rules define a deep-tech start-up as an entity operating on new scientific or engineering knowledge with high R&D spend and creating intellectual property (IP). It also adds that such entities must have long gestation periods, high capex infrastructure needs, and some level of technical/scientific uncertainty. As per the notification dated February 4, the maximum annual turnover for such ventures to be classified as deep-tech will now be ₹300 crore and the maximum time period for which they will be deemed a deep-tech start-up is to be 20 years from its incorporation. As for non deep-tech start-ups, the maximum annual turnover has been revised from earlier the ₹100 crore to ₹200 crore. The time period has been left unchanged at 10 years from incorporation. Moreover, it adds that cooperative societies can be recognised as start-ups, in addition to entities such as private limited companies, partnership firms, and limited liability partnerships (LLPs).

**(Business Line)**

**Bharat Taxi launch set to disrupt ride-hailing market:** Union Home Minister Amit Shah on Thursday launched Bharat Taxi in Delhi-NCR and Gujarat, India's first cooperative-based ride-hailing platform, at an event at Vigyan Bhawan in New Delhi. The platform, operated by Sahakar Taxi Cooperative Limited (STCL) in collaboration with the National Cooperative Development Corporation (NCDC) and supported by NABARD and Amul, marks first of its kind government-backed entry into the aggregator-dominated ride-hailing space. Registered under the Multi-State Cooperative Societies Act, 2002, Bharat Taxi operates on a 'Sarathi Hi Malik' (driver is owner) model. Each driver holds a minimum of five shares worth Rs 500, entitling them to dividends from profits. The platform claims to have already distributed approximately Rs 10 crore in earnings directly to drivers since its soft launch in December 2025.

**(Financial Express)**





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H.Q: CMA Bhawan, 3, Institutional Area, Lodhi  
Road, New Delhi – 110 003  
Kolkata Office: CMA Bhawan, 12 Sudder Street,  
Kolkata – 700 016



## REGULATION & DEVELOPMENT

**SEBI moves to soften ‘fit and proper’ norms for intermediaries:** The Securities and Exchange Board of India (SEBI) has proposed a sweeping overhaul of the ‘fit and proper person’ framework governing market intermediaries, seeking to ease compliance pressures while retaining safeguards around integrity and conduct. The regulator proposed removing automatic disqualifications triggered merely by the filing of criminal complaints, FIRs or charge sheets in economic offence cases, arguing that such steps represent only the initiation of legal proceedings and should not, by themselves, bar individuals or entities from operating in the securities market.

**(Business Line)**

**SEBI to ease stress test, settlement guarantee fund for commodity derivatives:** SEBI has proposed to ease the stress testing and coverage of settlement guarantee fund for commodity derivatives market to promote ease of doing business and align risk management with global standards. In a consultation paper, it has proposed reducing the Z-score used for historical stress testing in commodity derivatives to five from the existing 10 and revising the coverage requirement of the core settlement guarantee fund to account for the simultaneous default of the top three clearing members, instead of factoring in 50 per cent of the credit exposure arising from the default of all clearing members. Under the current framework, clearing corporations are required to conduct standardised stress testing using peak historical price movements over a 15-year period, with extreme returns capped at a Z-score of 10.

**(Business Line)**



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## FINANCIAL TERMINOLOGY

### **FEAR OF MISSING OUT (FOMO)**

- FOMO (Fear of Missing Out) is the pervasive anxiety that others are having rewarding experiences, leading to a compulsive desire to stay constantly connected with their activities. Heavily driven by social media, this phenomenon often results in negative emotions like loneliness, envy, and poor sleep.
- Of course, following the crowd, especially impulsively, goes against standard investing advice and can result in poor returns over time. But there are ways to combat the impulse to give in to FOMO. Below, we'll walk through why you should avoid it and the alternatives to take.



### **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 : 90.3957  
INR / 1 GBP : 123.0328  
INR / 1 EUR : 106.5488  
INR /100 JPY: 57.6000

### **EQUITY MARKET**

Sensex: 83313.93 (-503.76)  
NIFTY: 25642.80 (-133.20)  
Bnk NIFTY: 60063.65 (-174.50)

### **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  
website

### **Publications by BFSI Board**

- ❖ **Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).**
- ❖ **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)**
- ❖ **Handbook on Central Bank Digital Currency (CBDC)**
- ❖ **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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