ICMAI THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
भारतीय लागत लेखाकार संस्थान
Statutory Body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

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

DAILY NEWS DIGEST BY BFSI BOARD

06 November 2025

ECONOMY

Trade deal: New Zealand ready to share agri tech, discuss labour but India careful on dairy: Israel supports connectivity projects such as India-Middle East-Europe Economic Corridor (IMEC) and I2U2 (India, Israel, US, UAE partnership) that promote regional linkages, said Israel's Foreign Minister Gideon Sa'ar. Indian businesses, too, are keen to explore opportunities, especially in sectors such as rail, road and port infrastructure, renewable energy and health in Israel, said External Affairs Minister S Jaishankar.
(Business Line)

Indian workers quietly run the world - OECD just confirmed it: India has emerged as a leading source of skilled talent for advanced economies, with nearly 600,000 Indians migrating to OECD countries in 2023. The nation is a top contributor to foreign-trained doctors and nurses, and its professionals are increasingly filling gaps in aged care, construction, and technology sectors globally. The OECD data shows that India ranks among the top three sources of foreign-trained doctors and top two for nurses employed in member countries. Between 2021 and 2023, four in ten migrant doctors and over a third of migrant nurses in OECD nations came from Asia — with India contributing the largest share.
(Business Line)

RBI flags concern over elevated bond yields; OMO unlikely in November: With the spread between 10-year government bond and the comparable US treasury widening close to 250 basis points (bps), the Reserve Bank of India (RBI) seems to have conveyed its discomfort with elevated yields to the market. The central bank is holding a series of discussions with market participants this week and next week. Despite a cumulative 100-basis-point reduction in the repo rate between February and June, the 10-year bond yield has not eased in line with policy rates and has instead inched higher since the 50-basis-point policy rate cut in June. The yield on the benchmark 10-year government bond has risen by 24 basis points since June, while the yield on the 10-year US Treasury bond has fallen by 32 basis points during the same period.

(Business Standard)

BANKING & FINANCE

Jio BlackRock Flexi Cap Fund sparks buzz with it AI model: The Jio BlackRock Flexi Cap Fund has captured the attention of both retail and institutional investors, closing its New Fund Offer (NFO) with collections of Rs 1,500 crore and reopening for continuous subscription on October 17, 2025. According to Maneesh Taneja, founder of Z Funds, the buzz around this fund stems from its unique investment model - one that blends artificial intelligence with human expertise - and its positioning as the first active equity offering from the Jio-BlackRock joint venture. Taneja explained that until now, Jio BlackRock AMC had focused primarily on passive products such as the NFT 50, NFT Midcap 150, and NFT Smallcap 250 Index Funds, which track market indices.

(Business Today)

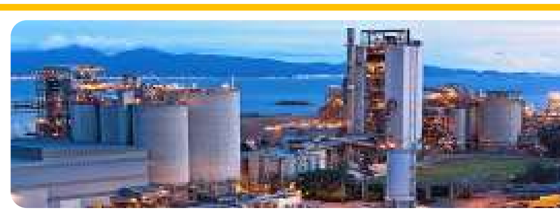
M&M likely to offload full stake in RBL Bank for ₹682 crore, sources say: Auto major Mahindra & Mahindra (M&M) is likely to sell its entire 3.45 per cent stake in RBL Bank in a clean-up trade through a block deal amounting to ₹682 crore, sources say. The floor price for the deal has been set at ₹317 per share, at around 2 per cent discount to current share price of the bank. The deal will be executed on November 6. Kotak Securities is the broker for the deal, according to sources.

(Business Line)

Total balance in Jan Dhan accounts cross ₹2.75-lakh cr mark: The total balance in no-frills accounts under the Pradhan Mantri Jan Dhan Yojana (PMJDY) has crossed ₹2.75 lakh crore. Some of the inactive accounts have also become live over the last couple of months due to special efforts made by banks. As per the latest Government data, the total balance in PMJDY accounts stood at ₹2,75,057 crore as on October 22, 2025, while the total number of beneficiaries (accounts) reached 56.85 crore. The public sector banks have a lion's share of total deposits at ₹2.15 lakh crore, followed by the Regional Rural Banks with a balance of ₹51,489 crore. The private banks could mobilise only ₹8,149 crore.
(Business Line)

PSU Bank profits dip 1.5% despite credit surge: Despite a robust 11.7% year-on-year surge in credit growth led by retail, agriculture, and MSME lending, public sector banks saw their collective net profit dip 1.5% in the September quarter when adjusted for a one-time gain by State Bank of India, due to weaker treasury income and muted recoveries. Out of the 12 public sector banks, Bank of Baroda and Union Bank of India reported a year on year fall in net profit during the quarter ended September due to fall in other income and lower recovery from written off accounts. After seeing high double-digit growth for four quarters, other income stood at 8.4% on year in July-September, this was mainly attributable to weaker treasury income.
(Financial Express)

INDUSTRY OUTLOOK



Starlink's India debut: Maharashtra becomes 1st state to partner with Elon Musk's satcom firm: Maharashtra has become the first Indian state to formally partner with Starlink for its satellite-based internet services. The announcement of the landmark collaboration was made by Maharashtra Chief Minister Devendra Fadnavis, who called billionaire Elon Musk's Starlink one of the largest companies in the Information and Communication Technology (ICT) industry. The letter of intent (LOI) was signed by Lauren Dreyer, Vice President, Starlink, and Virendra Singh, IAS, Secretary, Department of Information Technology, Government of Maharashtra, in presence of Fadnavis.

(Moneycontrol)

MCA hands Anil Ambani's Reliance Group case to Serious Fraud Investigation Office as probe deepens: The regulatory noose has tightened further around Anil Ambani's Reliance Group, with the Ministry of Corporate Affairs (MCA) ordering a fresh probe into alleged fund diversion across multiple group companies. The investigation, initially handled by the MCA, has now been handed over to the Serious Fraud Investigation Office (SFIO) after preliminary findings suggested large-scale siphoning of funds and potential violations of the Companies Act. According to sources, the probe will cover Reliance Infrastructure, Reliance Communications, Reliance Commercial Finance, and CLE Pvt Ltd, focusing on tracing the flow of money and identifying key decision-makers responsible for the alleged misconduct.

(Business Today)

Sensex can hit 100,000 by June 2026; market correction over: Morgan Stanley: The correction in the Indian stock market is over, believe analysts at Morgan Stanley, as the key factors driving India's underperformance compared to emerging market (EM) peers are reversing. In a bull-case scenario – to which they attach a 30 per cent probability – Morgan Stanley sees the Sensex hitting the 100,000 mark by June 2026. Their base-case scenario (50 per cent probability) pegs the Sensex at 89,000 levels – up around 6.6 per cent from the current levels, while their bear-case scenario pegs the index at 70,000 mark (down 16 per cent from the current levels) to which they have assigned 20 per cent probability.

(Business Standard)

PM congratulates Amul and IFFCO for securing the 1st and 2nd ranks in the global ranking for cooperatives: Prime Minister, congratulated Amul and IFFCO, for securing the 1st and 2nd ranks in the global ranking for cooperatives, respectively. The rankings were given based on GDP per capita performance, according to the International Cooperative Alliance (ICA) World Cooperative Monitor 2025 at the ICA CM50 conference in Doha, Qatar.

(PiB)

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REGULATION & DEVELOPMENT

India unveils first AI governance framework, opts for adaptive regulation over new law: India on Wednesday unveiled its first formal artificial intelligence (AI) governance framework, opting against an AI-specific statute for now and instead proposing an adaptive approach that draws on existing laws, which may be suitably amended to address emerging risks. The India AI Governance Guidelines, released by the Ministry of Electronics and Information Technology (MeitY), aim to balance innovation with safety by applying current legal frameworks — such as the Information Technology Act, 2000, the Digital Personal Data Protection Act, 2023, the Consumer Protection Act, and provisions under civil and criminal codes — to the development and use of AI systems.

(Business Line)

ED–IBBI pact allows return of attached assets under PMLA: In a major relief for banks and homebuyers, assets of bankrupt companies and their promoters attached by the Enforcement Directorate (ED) under the Prevention of Money Laundering Act (PMLA) can now be restored to affected creditors. This follows the finalisation of a new standard operating procedure (SOP) jointly framed by the ED and the Insolvency and Bankruptcy Board of India (IBBI) for the purpose. The ED alone is said to have attached assets worth ₹1.45 lakh crore under the Prevention of Money Laundering Act (PMLA) till December 31, 2024. Under the new arrangement, Insolvency Professionals (IPs) will file a "standard undertaking" before the special PMLA court seeking release of assets attached by the ED so they can be restored to rightful creditors — including banks, homebuyers, and other investors. Earlier, assets of several companies undergoing insolvency proceedings were frozen under PMLA, preventing their use in resolution or liquidation. The new mechanism addresses this hurdle by allowing assets to be restituted to victims while ensuring compliance under both legal frameworks.

(Business Line)

FATF hails India's asset recovery model, cites ED as global benchmark: The Financial Action Task Force (FATF) has praised India's asset recovery framework, describing the Enforcement Directorate (ED) as a "model agency" for its efficiency and coordination in tracing and confiscating criminal proceeds. In its report, "Asset Recovery Guidance and Best Practices", the global money laundering and terrorist financing watchdog, shared multiple examples from cases investigated by the ED, citing them as models of effective asset recovery practice and inter-agency coordination. Drawing from India's legal framework under the Prevention of Money Laundering Act, 2002, and its operational experience, the report stated that ED's inputs helped shape key aspects of the guidance related to value-based confiscation, provisional attachment, and inter-agency cooperation.

(Business Standard)

FINANCIAL TERMINOLOGY

OUTPUT GAP

- The term output gap refers to the difference between the actual output of an economy and the maximum potential output of an economy expressed as a percentage of gross domestic product (GDP). A country's output gap may be either positive or negative.
- A negative output gap suggests that actual economic output is below the economy's full capacity for output while a positive output suggests an economy that is outperforming expectations because its actual output is higher than the economy's recognized maximum capacity output.

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RBI KEY RATES

Repo Rate: 5.50%
SDF: 5.25%
MSF & Bank Rate: 5.75%
CRR: 3.25%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 88.6372
INR / 1 GBP : 116.3168
INR / 1 EUR : 102.1384
INR /100 JPY: 57.7200

EQUITY MARKET

Sensex: 83459.15 (-519.34)
NIFTY: 25597.65 (-165.70)
Bnk NIFTY: 57827.05 (-274.40)

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

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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 2nd Edition)

TEAM BFSIB
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