

DAILY NEWS DIGEST BY BFSI BOARD

07 November 2025



ECONOMY

India's services PMI eases to 58.9 in October: Growth of India's services sector slowed in October, while remaining strong overall, supported by resilient demand and Goods and Services (GST) Tax relief. According to data released by S&P Global, the HSBC India Services Purchasing Managers' Index (PMI) fell to 58.9 in October from 60.9 in September, indicating the slowest pace of expansion since May, as competitive cost pressures and heavy rains in parts of the country led to a lower increase in output. Notwithstanding the moderation, the reading remained well above the neutral 50 threshold that separates expansion from contraction. The October Services PMI index was comfortably above both the neutral mark of 50 and its long-run average of 54.3.

(Business Line)

Govt likely to announce export promotion mission after Bihar elections:
Sources: Indian exporters' long wait for the export promotion mission—which promises them financial, logistical, and technical support to enhance competitiveness and deal better with the US tariff blow—may be over soon. The Commerce Department has received the required clearances, including from the Expenditure Finance Committee, and the package is expected to be formally announced and implemented after the election in Bihar is over, a source close to the development told businessline. The EPM, which was part of Finance Minister Nirmala Sitharaman's Union Budget 2025-26 with a focus on MSMEs, was assigned an annual outlay of ₹2,250 crore but the scheme may now be announced for three-five years with larger funding, the source said.

(Business Line)

India's venture funding surges 14% in 2025, signalling startup revival: India's venture capital (VC) funding landscape recorded year-on-year (YoY) expansion in the first three quarters (Q1-Q3) of 2025, registering double-digit increases in both deal volume and deal value. The total number of VC deals announced in India increased by 12% during Q1-Q3 2025 compared to Q1-Q3 2024, while the corresponding total funding increased by 14%, according to GlobalData, a leading data and analytics company.

(Business Line)

BANKING & FINANCE



India needs 'big and world class' banks, work on PSB consolidation has begun:
FM Sitharaman: Finance Minister Nirmala Sitharaman said the government is discussing with the banking regulator as well as sector representatives to develop large, world class Indian banks, and work is underway for the consolidation of the state-owned banks. The Centre has to sit and talk with the lenders and see how they wants to take this forward, said FM Sitharaman. "We are also discussing with the RBI on how they have a idea of building large banks," she added. "There's a lot of work to do prior to my saying yes, I've taken a call, and in that work has already commenced," Sitharaman said while addressing at the 12th SBI Banking and Economics Conclave in Mumbai on November 6.

(Moneycontrol)

LIC Q2 Results: Net profit rises 32% to Rs 10,053 crore, net premium income up 5.5%: Life Insurance Corporation of India (LIC) on November 6 reported a standalone net profit of Rs 10,053.39 crore for the second quarter of the financial year 2026. This marks a 32 percent year-on-year (YoY) rise from the Rs 7,620.86 crore net profit reported in the same period last year. The firm's net premium income meanwhile grew 5.5 percent YoY to Rs 1.26 lakh crore during the quarter under review. Solvency ratio increased to 2.13 percent from 1.98 percent in the year-ago period.

(Moneycontrol)

City Union Bank ties up with EPFO, launches PF remittance facility for corporate customers: Private sector bank City Union Bank (CUB) has launched EPF payment remittance function for it in collaboration with the Employees Provident Fund Organisation (EPFO). The feature will allow the bank's corporate customers to remit provident fund amounts through CUB's net banking portal.

(Business Line)

India plans to retain cap on voting rights for large shareholders in banks, sources say: India plans to retain a cap on voting rights for large shareholders in domestic banks, two sources said, signalling that New Delhi's attempts to liberalise the financial sector and draw more foreign investment will remain limited in scope. RBI has initiated a number of steps to unwind complex regulations in recent months and has permitted foreign lenders to pick up large stakes in domestic banks. The government is also planning to more than double the foreign-investment cap in state-owned lenders to 49%, Reuters reported last week.

(Economic Times)

After ₹100 trillion biz, SBI enters \$100 billion market capitalisation club: After hitting \$100 billion in market capitalisation (mcap), country's largest lender State Bank of India (SBI) has now set its sights on breaking into the league of Top-10 global banks, SBI Chairman C S Setty said on Thursday. The market value of SBI surpassed the \$100-billion mark for the first time on Thursday.

(Business Standard)

INDUSTRY OUTLOOK



SEBI chairman hopes Finance Commission will provide incentives, guidance to states & local bodies to issue municipal bonds: Securities and Exchange Board of India (SEBI) chairman Tuhin Kanta Pandey on November 6 said he hopes that Finance Commission will give some incentives or guidance to the states or local bodies to raise funds from municipal bonds. "I am hopeful that, the new finance commission will give

some incentives or some guidance to states, local bodies to raise municipal bonds," Pandey told exclusively to Moneycontrol on the sidelines of the 12th SBI Banking and Economics Conclave in Mumbai. The Finance Commission's role in municipal bonds market is largely through recommendations and incentives that support local government fiscal health, rather than directly issuing or managing the bonds.

(Moneycontrol)

CAG to conduct special audit of railway freight: The Comptroller and Auditor General of India (CAG) is set to begin an audit of the multi-modal transport and logistics initiatives by Indian Railways, in the wake of the unsatisfactory growth in its freight volume and receipts. The audit will provide suggestions to the transporter and the government to bring down the transportation costs, improve the movement of freight traffic and enhance the ease of doing business. The railway audit wing of the CAG in the proposed exercise will cover nine railway zones across the north–south and east–west corridors of India, along with three ministries, logistics-related railway PSUs and selected origin-destination pairs critical to freight movement. The audit report is expected to be placed before Parliament in the monsoon session next year.

(Financial Express)

Inaccessibility costing India Rs 17.9 lakh crore yearly: Report: India's untapped potential due to inaccessibility is valued at \$214 billion (Rs 17.9 lakh crore) every year due to absence of accessible infrastructure, as per a White Paper released Thursday. The report by KPMG and non-profit Svayam pegs this loss as a result of lost productive years and diminished market participation in sectors such as tourism, sports, transport and information and communication technology. Released at the National Summit on Accessibility 2025, organised by Svayam in partnership with the Confederation of Indian Industry (CII) and UNESCO, the report argues that accessibility must be treated as an economic strategy, not a welfare measure, and that its absence is dragging down India's GDP growth by several percentage points.

(Financial Express)



REGULATION & DEVELOPMENT

Sebi plans more IPO reforms, streamlining share pledge norms & disclosures:

The Securities and Exchange Board of India (Sebi) is working on a new set of reforms for initial public offerings (IPOs), including streamlining the process for pledging shares of pre-IPO companies and rationalising disclosure requirements in offer documents, Chairman Tuhin Kanta Pandey said on Thursday. Speaking at the SBI Banking & Economics Conclave 2025, Pandey said Sebi plans to simplify the summary section of IPO offer documents and make them available separately to investors for feedback.

(Business Line)

Govt to hold meet with states next week to finalise national labour policy: In a bid to expedite and finalise the national policy on labour and employment, the Union labour ministry will hold a two-day meeting with state labour ministers starting November 11 in the national capital, official sources told Business Standard. “The two-day meet will see participation from all states and Union Territories (UTs). Our focus will be on the recently released draft Shram Niti (labour policy). We aim to build consensus with states, as labour is as much a state subject as it is a central one. A lot of public comments have already been received, and they will be discussed at the meeting as well,” one of the sources said.

(Business Standard)

Sebi expands IPO anchor book to 40% to boost institutional participation:

Markets regulator Sebi has amended rules revamping the share-allocation framework for anchor investors in maiden public offerings, a move aimed at broadening the participation of domestic institutional investors such as mutual funds, insurance companies, and pension funds. Under this, the regulator has increased total reservation in the anchor portion to 40 per cent from 33 per cent earlier. This comprises 33 per cent for mutual funds and the remaining 7 per cent for insurers and pension funds. If the 7 per cent reserved for insurers and pension funds remains

unsubscribed, it will be reallocated to mutual funds, the Securities and Exchange Board of India (Sebi) said in a notification dated October 31.

(Business Standard)



FINANCIAL TERMINOLOGY

BAIL-IN

- A bail-in provides relief to a financial institution on the brink of failure by requiring the cancellation of debts owed to creditors and depositors. A bail-in is the opposite of a bailout, which involves the rescue of a financial institution by external parties, typically governments, using taxpayers' money for funding.
- Investors and deposit-holders in a troubled financial institution would prefer to keep the organization solvent rather than face the alternative of losing the full value of their investments or deposits in a crisis. Governments also would prefer not to let a financial institution fail because large-scale bankruptcy could increase the likelihood of systemic problems for the market. These risks are why bailouts were used in the 2008 Financial Crisis, and the concept of "too big to fail" led to widespread reform.

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 : 88.6026
INR / 1 GBP : 115.7510
INR / 1 EUR : 101.9810
INR /100 JPY: 57.5800

EQUITY MARKET

Sensex: 83311.01 (-148.14)
NIFTY: 25509.70 (-87.95)
Bnk NIFTY: 57554.25 (-272.80)

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 2nd Edition)**

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.