

DAILY NEWS DIGEST BY BFSI BOARD

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ECONOMY

Largest states spent less than 20% of budgeted capex between April and August 2025: India's largest states, including Maharashtra, Tamil Nadu, and Uttar Pradesh, are lagging in their capital expenditure (capex) for FY26, despite setting ambitious targets. Data from the Comptroller and Auditor General of India shows that these states have spent less than 20 per cent of their budgeted capex until August. The Centre, on the other hand, has met 38.5 per cent of its budgeted capex in this period. The sluggish growth seems to be led by uncertainty on revenue collections created by the GST roll-out. Against an outlay of ₹1.65 lakh crore on capex for FY26, Uttar Pradesh has spent only 12.95 per cent in the first five months. Maharashtra has spent 16.64 per cent of its ₹99,977 crore allocation, while Tamil Nadu has spent 17.28 per cent. Karnataka, too, has spent just 18.8 per cent of its target in the first five months.

(Business Line)

Indian jewellers stop taking fresh orders for silver ornaments as shortage bites: Leading wholesale jewellers have stopped accepting fresh orders for silver ornaments and other items amid huge shortage and subsequent premiums being levied on supply of physical metal. Jewellers at Zaveri Bazaar in the heart of bullion business in Mumbai are turning down orders for corporate gifting items made of silver due to the escalation of costs. The shortage was due to increased industrial and investment demand, both locally and global demand from countries such as Australia, Turkey and China,

(Business Line)

India's trade deficit widens to \$32.15 billion in September: India's merchandise trade deficit widened to an 11-month high of \$32.15 billion in September, data showed

on Wednesday, as imports surged faster than exports after President Donald Trump's doubling of tariffs to 50% on several Indian goods in late August. September exports rose to \$36.38 billion from \$35.10 billion in August, even with US tariff hikes hitting shipments of Indian goods such as textiles, shrimp, and gems & jewellery, Commerce Ministry data released on Wednesday showed.

(Business Line)

BANKING & FINANCE



RBL Bank to consider fund raise proposal on October 18 in backdrop of majority stake sale talks with Emirates NBD: RBL Bank will consider a fund raise proposal on October 18, according to a stock exchange disclosure by the private sector lender on October 15. The announcement comes in the backdrop of ongoing advanced negotiations with Middle East banking powerhouse Emirates NBD to potentially cede a controlling stake.

(Moneycontrol)

Govt draws up mega bank merger plan; smaller lenders to be clubbed with big banks by FY27: India's banking sector is headed for another round of public sector bank consolidation with the government working on a mega merger that could see smaller lenders being merged with larger banks, government sources have told. The idea is to streamline the PSB landscape to have fewer, stronger entities that can support the next phase of credit expansion and financial sector reforms, a source said. Indian Overseas Bank (IOB), Central Bank of India (CBI), Bank of India (BOI) and Bank of Maharashtra (BOM) could be merged with big banks such as Punjab National Bank (PNB), Bank of Baroda (BoB) and State Bank of India (SBI), government sources said. "A record of discussion on the plan will first be taken up by senior officials at the Cabinet level and then will be examined by the PMO."

(Economic Times)

Axis Bank Q2 PAT down 26% on higher operating expenses, muted core income growth: Private sector major Axis Bank on Wednesday kicked off the banking sector's Q2FY26 earnings season, reporting a 26 per cent year-on-year (y-o-y) decline in net profit at ₹5,090 crore, on account of one-time standard asset provision, higher operating expenses (opex) and muted core income growth. Axis Bank's net advances rose 12 per cent y-o-y to ₹11.16 lakh crore, while deposits were up 11 per cent y-o-y at ₹12.03 lakh crore.

(Business Line)

Axis Finance to become upper-layer NBFC; listing likely within 3 years: Axis Finance, the wholly owned non-banking finance subsidiary of Axis Bank, is set to be classified as an upper-layer NBFC, following which the bank plans to list the company on the stock exchanges, the lender's senior management said on Wednesday. "Axis Finance will become an upper layer in the NBFC space very soon given the size of its AUM, and that will also mean that we get onto this path of having to list it at some stage in the future," said Amitabh Chaudhry, Managing Director and Chief Executive Officer, Axis Bank. According to RBI guidelines, an NBFC identified as part of the upper layer must mandatorily list its shares on a recognised stock exchange within three years of such classification.

(Business Standard)

INDUSTRY OUTLOOK



Hyundai drives ₹45,000 crore investment into India, targets ₹1 lakh cr revenue by FY30: Signalling India's growing centrality in its global vision, South Korean automaker Hyundai Motor Company (HMC) on Tuesday announced a ₹45,000-crore investment plan through 2030, aimed at expanding capacity, strengthening R&D and launching 26 new products, including electric and hybrid vehicles.

(Business Line)

Unemployment rate rises marginally to 5.2% in September: Unemployment rate (UR) rose marginally to 5.2 per cent in September after two successive months of decline, Statistics Ministry reported on Wednesday. UR is defined as the percentage of individuals unemployed among persons in the labour force. The rate was 5.1 per cent in August. Unemployment rate is derived through a survey which is conducted among over 89,000 households involving over 3.76 lakh persons.

(Business Line)

Rs 6 trillion & counting: DIIs pump record money in Indian stocks in 2025: Domestic institutional investors' (DIIs) flows to the equity segment were robust in calendar year 2025 (CY25) as their net investments hit Rs 6 trillion, the highest in a calendar year since BSE started maintaining data in 2007. The net inflow includes investments by banks, domestic financial institutions, insurance companies, new pension schemes and mutual funds, and it is higher than the Rs 5.26 trillion they put in Indian stock markets in CY24, BSE data shows.

(Business Standard)



REGULATION & DEVELOPMENT

EPFO official says full withdrawal timeline revised to 12 months to ensure interest benefit to subscribers: The government is of the view that the EPFO subscribers should get the benefit of interest credited to accumulated corpus every year, and thus it has increased the time period for full withdrawal to 12 months from 2 months earlier, a senior government official has told. "By ensuring that full withdrawal happens only after 12 months, the subscriber will be able to receive the interest credited from EPFO to their account at least once," the official said while responding to a query on the rationale behind revising the timeline of full withdrawal. According to latest rules, 25 percent of contribution and applicable interest will be earmarked as minimum balance to be maintained at all times by the subscribers. In case of a job loss

too, this rule will be applicable, but for a period of 12 months, which was 2 months earlier.

(Moneycontrol)

MPC Minutes: Members see scope for more rate cuts, await full impact: Even if the Reserve Bank of India's Monetary Policy Committee decided to hold interest rates in the October meeting, it acknowledged the scope for further rate cuts while waiting for the impact of the past steps to play out. All the members of the panel voted to keep the policy repo rate at 5.5 per cent while two members, Ram Singh and Nagesh Kumar said the stance should be changed to "neutral". In the minutes of the meeting, released on Wednesday, Reserve Bank of India Governor Sanjay Malhotra noted even though growth was strong by current reckoning, its outlook was softer and was expected to be below aspirations.

(Business Standard)



FINANCIAL TERMINOLOGY

JUDGEMENT LIEN

- A judgment lien is a court ruling that gives a creditor the right to take possession of a debtor's property if the debtor fails to fulfill their contractual obligations. This lien may be made against an individual or a business and allows the creditor to access assets such as the debtor's business, personal property, and real estate to satisfy the judgment.
- These liens can be attached to real or personal property, or—if the debtor has none at the time of judgment—to future acquisitions.



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 : 88.2898
INR / 1 GBP : 117.9899
INR / 1 EUR : 102.6616
INR /100 JPY: 58.4500

EQUITY MARKET

Sensex: 82605.43 (+575.45)
NIFTY: 25323.55 (+178.05)
Bnk NIFTY: 56799.90 (+303.45)

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TEAM BFSIB

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

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