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)

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DAILY NEWS DIGEST BY BFSI BOARD

17 January 2026

ECONOMY

US allowed limited sanctions waiver for India's Chabahar Project till April 2026: The Ministry of External Affairs on Friday confirmed that it had received a letter from the US Department of the Treasury in October 2025 regarding a conditional sanctions waiver for India's involvement in Iran's Chabahar Port, valid until April 26, 2026. The United States reimposed sanctions on Iran's Chabahar port on September 29, 2025. However, after India submitted details on how it planned to gradually wind down its activities at the port, including operations at the Shahid Beheshti terminal, Washington granted a temporary exemption.
(Moneycontrol)

Rupee crashes 50 paise to settle near all-time low at 90.84 against US dollar: The rupee tumbled for the third straight session and lost 50 paise to settle near its lowest level at 90.84 (provisional) against the US dollar on Friday, amid rising crude oil prices and sustained outflow of foreign funds. Volatile global sentiment and a firm American currency accelerated the withdrawal of foreign institutional investors, even as domestic investors resorted to value buying, forex traders said. According to traders rupee faced pressure after data released on Thursday showed India's trade deficit widened slightly to $25.04 billion in December 2025, compared to $24.53 billion in November and $22 billion in December 2024.
(Business Line)

India and EU will have the 'mother of all deals', says Piyush Goyal: Commerce and Industry Minister Piyush Goyal on Friday said a free-trade agreement (FTA) between India and the European Union (EU) would be the "mother of all deals". His remarks came a day after Commerce Secretary Rajesh Agrawal hinted that both sides were likely to announce a conclusion of trade talks on January 27. “I have done seven deals so far, all with developed countries. This one will be the mother of all deals. The good thing about the deal will be that there is no competition between the EU and India. It’s a win-win for both sides,” the minister said. The EU is India’s largest trading partner. India’s bilateral trade in goods with the EU stood at $136.53 billion in 2024-25, with exports worth $75.85 billion and imports of $60.68 billion. For India, the trade deal with the 27-nation European bloc is crucial.

(Business Standard)

BANKING & FINANCE

Central Bank of India’s profit boost powered by write-off recoveries & treasury gain: Recovery from write-offs and strong treasury gains lifted Central Bank of India’s profitability in the December 2025 quarter, even as net interest income (NII) remained under pressure. The bank reported a sharp improvement in bottom-line performance of 32% rise to Rs 1,263 crore in Q3 FY2026 (Rs 959 crore Q3 FY2025), driven primarily by Rs 1,109 crore (Rs 482 crore) recovered from written-off and NPA accounts, alongside a 35% jump in treasury income to Rs 302 crore (Rs 224 crore). The state-run bank reported a marginal decline of 1% in its NII to Rs 3,502 crore (Rs 3,540 crore) for the December 2025 quarter.

(Financial Express)

HDFC Ergo CEO Tyagi quits to pursue entrepreneurial ambitions: HDFC Ergo General Insurance on Friday said Anuj Tyagi, its Chief Executive and Managing Director of over 18 months, has quit. Tyagi, who joined the company in 2008 and had been steering it as the MD and CEO since July 2024, resigned earlier in the day to pursue entrepreneurial aspirations. He will be departing in mid-April, and the private sector general insurer's board has initiated a process to ensure continuity and stability, as per a statement.

(Economic Times)

Home loan growth broadens beyond metros, Tier-2, Tier-3 account for 64 per cent of volumes: Report: Home loan demand is increasingly moving towards Tier-2 and Tier-3 cities. These emerging urban centers are now driving the majority of home loan volumes. Improved infrastructure and expanding job opportunities are fueling this growth. Affordability in larger metros is pushing aspirational buyers to smaller cities. This trend indicates a more balanced housing finance cycle across India. Tier-2 and Tier-3 cities recorded an 81 per cent year-on-year growth in home loan volumes in 2025, significantly higher than the 52 per cent growth seen in Tier-1 cities, fintech-led mortgage distribution platforms Urban Money said in a report.

(Economic Times)

Standard Chartered mulls options for India cards unit in retail pullback: Standard Chartered Plc is reviewing its retail credit card business in India amid a wider strategy to reshape operations in the world's fastest-growing major economy, according to people familiar with the matter. The London-headquartered bank has held preliminary talks with some stakeholders in recent weeks to come up with decisions as early as this year, according to the people, who asked not to be identified because the information is private. The discussions are preliminary and could be subject to change, the people added.

(Economic Times)

PSBs to standardise digital process for MSME credit: The government has asked state-owned lenders to adopt a standardised digital process for sanctioning loans up to ₹1 crore, aiming to speed up credit delivery to micro and small businesses, said people familiar with the matter. The entire lending process will be routed through the JanSamarth portal, a digital platform for government-sponsored credit-linked schemes, which allows banks to automatically pull borrower data including credit scores from multiple sources.

(Business Standard)

INDUSTRY OUTLOOK

RIL's Q3 profit growth flat, revenue 10.5% higher: Reliance Industries reported a virtually flat net profit growth in the third quarter of FY26, missing analyst estimates on higher expenses, while higher revenues from oils-to-chemicals and digital businesses were offset by weakness in oil and gas segment. The conglomerate reported consolidated net profit of ₹18,645 crore, and revenue of ₹2.69 lakh crore, up 10.5 per cent on year. Operating margin during the quarter fell to 17.08 per cent from 17.96 per cent year ago, while operating profit rose 5.1 per cent to ₹46,018 crore. Total expenses rose 11.5 per cent to ₹2.45 lakh crore.
(Business Line)

Only natural diamond can be called diamond, says Indian regulator BIS: The Bureau of Indian Standards (BIS), the Indian regulator of quality standards, has come out with a new rule on diamonds, clarifying that only natural diamonds can be termed "diamond". The BIS has adopted IS 19469:2025 and modified ISO 18323:2015 – Jewellery: Consumer Confidence in the Diamond Industry. Welcoming the new initiative, the Natural Diamond Council (NDC) said the new standard establishes a clear and enforceable framework for diamond terminology, drawing a firm distinction between natural diamonds and laboratory-grown diamonds.
(Business Line)

New MF rules from April 1: Sebi allows performance-linked expense charging: The Securities and Exchange Board of India (Sebi) on Friday notified the revamped Mutual Fund Regulations, marking a comprehensive overhaul of the three-decade-old framework. The changes introduce a revised structure for expenses, sharper disclosure requirements and strengthened governance norms for fund houses. A key feature of the new regulations is the provision allowing mutual fund schemes to charge a base expense ratio linked to performance, subject to conditions laid down by the regulator. "Mutual fund schemes that offer to charge base expense ratio based on the performance of the scheme shall comply with the expense ratio structure and disclosures thereto as specified by the Board from time to time," Sebi said in the notification.

(Business Standard)

REGULATION & DEVELOPMENT

Union Budget 2026: NSE, BSE declare Sunday trading schedule; F&O and commodities also open: In a rare move, the BSE and NSE will remain open for trading on Sunday, February 1, as Finance Minister Nirmala Sitharaman presents the Union Budget. Both exchanges issued circulars confirming live trading sessions for Budget Day, with regular market hours. The pre-open session will run from 9:00 to 9:08 am, followed by normal trading from 9:15 am to 3:30 pm. However, the T+0 settlement and auction sessions for default settlements will not be conducted that day, the BSE clarified. Alongside the equity market, trading in F&O and commodity derivatives will also remain open.

(Business Today)

Sebi proposes fund netting for FPIs to reduce funding burden in cash market: The Securities and Exchange Board of India (Sebi) is moving closer to a major reform in the way foreign portfolio investors (FPIs) settle their trades, proposing changes that could significantly reduce funding costs and improve efficiency in the cash market. In a consultation paper released on Friday, the regulator outlined a plan to allow FPIs to offset their purchase and sale obligations within a trading day, replacing the current system that requires settlements on a gross basisAt present, FPIs must independently fund every buy order and deliver securities for every sell order, even when both transactions occur on the same day and are of equal value. This means an investor who buys and sells shares worth Rs 100 crore each must still arrange Rs 100 crore in funding for the purchase leg, despite having matching sale proceeds..

(Business Today)

CBIC extends export incentives to postal shipments from 15th January 2026: In a significant boost to India's e-commerce and MSME exports, the Central Board of Indirect Taxes and Customs (CBIC) has extended export-related benefits under the Duty Drawback, Remission of Duties and Taxes on Exported Products (RoDTEP) and Rebate of State and Central Taxes and Levies (RoSCTL) schemes to exports made through the postal mode in electronic form, with effect from 15th January 2026. This landmark measure aims to provide a level playing field for exporters using the postal channel and to create a conducive and inclusive ecosystem for the growth of cross-border e-commerce. The initiative is expected to significantly enhance the competitiveness of MSME exporters, especially those located in smaller towns and remote areas, and give a major fillip to postal exports.

(PiB)

FINANCIAL TERMINOLOGY

TERM SHEET

- A term sheet is a nonbinding form outlining an investment's basic terms and conditions. It is a template for more detailed, legally binding documents. A contract is created when all parties agree on the details in the term sheet.
- The term sheet covers the significant aspects of a deal without detailing every minor contingency covered by a binding contract. All term sheets contain information on the assets, price, and any contingencies that may affect the cost.

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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 : 90.6497
INR / 1 GBP : 121.3147
INR / 1 EUR : 105.2244
INR /100 JPY: 57.2400

EQUITY MARKET

Sensex: 83570.35 (+187.64)
NIFTY: 25694.35 (+28.75)
Bnk NIFTY: 60095.15 (+515.00)

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 2nd 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)