

DAILY NEWS DIGEST BY BFSI BOARD

24 January 2026



ECONOMY

India to revamp quarterly GDP with GST, e-Vahan and energy data: India's official GDP numbers are set to become more granular and less volatile, as the government moves to embed high-frequency administrative datasets, such as GST filings, vehicle registrations from the e-Vahan portal and natural gas consumption, directly into quarterly growth calculations. The Ministry of Statistics and Programme Implementation (MoSPI) said on January 23 that it is reviewing the methodology used to compile quarterly GDP as part of the transition to a new national accounts series with FY23 as the base year. The proposed overhaul has been detailed in a discussion paper released for stakeholder consultation. At present, India's quarterly GDP estimates rely on a benchmark-indicator approach, where high-frequency indicators are aligned to annual national accounts benchmarks. While this ensures consistency with annual data, it produces sharp revisions and visible breaks in the series whenever annual numbers are updated.

(Moneycontrol)

EU trade pact could redirect India's top US-bound goods, unlock \$10-11 billion exports: Report: India could unlock \$10-11 billion in additional exports to the European Union by redirecting a portion of its heavily tariffed US-bound goods, according to a new report by Rubix Data Sciences. The opportunity arises from the proposed India-EU Free Trade Agreement (FTA), which could enable a strategic shift in trade flows without needing fresh production capacity. India's top 15 product categories exported to the US account for nearly \$45 billion, with \$21 billion concentrated in 12 segments that currently have limited penetration in the EU. Even if half of these flows are gradually reoriented toward the EU through tariff reductions,

rules-of-origin alignment, and improved market access, the shift could reshape the stagnant India-EU trade relationship.

(Business Today)

Reserve Bank announces measures to infuse over Rs 2 lakh crore liquidity: The Reserve Bank of India has announced measures to inject over Rs 2 lakh crore liquidity into the banking system. In a press release, the central bank said it will conduct OMO purchase auctions, the Variable Rate Repo operation, and the USD/INR Buy/Sell Swap auction to manage liquidity conditions. The Reserve Bank stated that it will conduct a 90-day Variable Rate Repo (VRR) operation for an amount of Rs 25,000 crore on January 30, 2026. Further, the Central bank will conduct a USD/INR Buy/Sell Swap auction of \$10 billion with a 3-year tenor on February 04, 2026. Additionally, the Reserve Bank will conduct OMO purchase auctions of Government of India securities for an aggregate amount of Rs 1,00,000 crore in two tranches of Rs 50,000 crore each, to be held on February 05, 2026, and February 12, 2026.

(Financial Express)

BANKING & FINANCE



IndusInd Bank says no further financial impact from BFIL issues; audit qualification continues pending probe: IndusInd Bank has said that no additional financial impact is expected from issues under review at its microfinance subsidiary, Bharat Financial Inclusion Limited (BFIL), even as the subsidiary's statutory auditor has continued with a qualified conclusion in its limited review report for the quarter and nine months ended December 31, 2025.

(Moneycontrol)

Indian Bank net profit rises 7% as provisions fall: Indian Bank on Thursday reported a 7.3% year-on-year rise in its net profit for the December quarter to Rs 3,061 crore, owing to lower provisions and an improvement in the asset quality. The net interest income grew 7.5% YoY to Rs 6,896 crore and the net interest margin

expanded to 3.28% from 3.23% a quarter ago. Other incomes rose 19% on year. The business grew 13.34% YoY to Rs 14.30 lakh crore, with gross advances rising 14.24% and deposits climbing 12.62%. The credit-deposit ratio stood at 80.77% as on December 31.

(Financial Express)

RBI readies Rs 1.25 lakh crore liquidity bazooka: RBI on Friday announced another set of liquidity measures that will infuse Rs 1.25 lakh crore into the financial system. The measures include a 90-day VRR operation amounting Rs 25,000 crore on January 30 and a three-year \$/Rs buy/sell swap auction of \$ 10 billion, which will be held on February 4. It will also purchase government securities worth Rs 1 lakh crore through open market operation (OMOs), across two tranches of Rs 50,000 crore each to be conducted on February 5 and February 12. According to Bloomberg data, the average liquidity stood at 1.78 lakh crore in November, which fell to Rs 72,550 crore in December and in January, it is further down Rs 57,121 crore.

(Financial Express)

Bank unions to strike on January 27: Bank employee unions have decided to go ahead with their planned strike on January 27, demanding a five-day work week. The operations of public sector banks, or PSBs, may be impacted, as banks will already remain closed on January 26, being a public holiday. The United Forum of Bank Unions, an umbrella organisation of nine unions of officers and employees, had met the Chief Labour Commissioner and held conciliation meeting on Thursday and Friday. The union had earlier called for a strike on January 27. In a statement on Friday, the UFBU stated that despite detailed discussions with the government, including finance ministry officials and representatives from the Indian Banks'Association, or IBA, there was no positive outcome out of the conciliation proceedings, and hence it has been decided to go ahead with the strike on January 27.

(Economic Times)

IndusInd Bank appoints Arijit Basu as new Non-Executive Chairman: IndusInd Bank has announced the appointment of former State Bank of India Managing Director Arijit Basu as its new Non-Executive Independent Director and Part-Time Chairman, following the completion of the tenure of the current chairman, Sunil Mehta. The appointment of Basu was approved by the Board of Directors, based on the approval

of the Reserve Bank of India. Basu will assume office with effect from January 31, 2026, for a period of three years, up to January 30, 2029, subject to shareholder approval. Basu brings with him extensive experience in the banking and financial services sector. Prior to his appointment at IndusInd Bank, he served as Chairman of the Board of HDB Financial Services.

(Economic Times)

Banks raise Rs 89.5k crore via CDs in December fortnight: With deposit growth in the banking system lagging credit growth by about 180 basis points (bps), banks are increasingly tapping the certificate of deposit (CD) market, cumulatively raising Rs 88,512 crore in the two weeks to December 31, 2025 — the second-highest quantum ever mobilised in a single fortnight. CD rates have also surged, with some marquee banks borrowing at 7 per cent and above for short-tenor funds as there is funding tightness in the system. Previously, in the fortnight ended March 21, 2025, banks had raised Rs 1.17 trillion, the highest quantum raised in a fortnight, as this period saw IndusInd Bank aggressively tapping the CD market with its liquidity coverage ratio declining after the disclosure of discrepancies in its derivatives portfolio.

(Business Standard)

INDUSTRY OUTLOOK



A fresh transaction: Visa readies India swipe of debit-cum-credit card: After its success in Japan, Visa's latest innovation in plastic money — a single 16-digit card credential that works as both a credit and debit card — is gearing up for entry into India. Visa Flexible Credential (Visa Flex), one of Visa's future-ready innovations, is a card that can be configured to function as a debit or credit card based on transaction value, merchant type, customer preference, and a bank's risk appetite. The 16-digit credential of the card remains the same. For example, users can choose to use the card as a debit card for small-value transactions, while higher-value purchases can be routed through credit.

(Business Standard)

Market selloff on FPI exodus erases ₹16 trillion mcap in a week: Indian equities declined on Friday, with the benchmark Nifty posting its worst weekly fall since September, as foreign investor sentiment remained weak amid tepid earnings growth and little progress on the India-US trade front. The Sensex ended the session at 81,538, down 770 points, or 0.9 per cent, while the Nifty 50 index closed at 25,049, declining 241 points, or 1 per cent. Over the week, the Sensex fell 2.4 per cent. The Nifty, on the other hand, slipped 2.5 per cent, marking its sharpest weekly decline since the last week of September 2025. The total market capitalisation (mcap) of BSE-listed companies fell by nearly ₹7 trillion on Friday to ₹452 trillion. For the week, it declined by ₹16 trillion.

(Business Standard)

States' gross fiscal deficit topped 3% in FY25 after 3 years: RBI report: States' consolidated gross fiscal deficit increased to 3.3 per cent of gross domestic product (GDP) in 2024-25, after remaining below 3 per cent during the previous three financial years, the Reserve Bank of India (RBI) said in a report titled 'State Finances: A Study of Budgets of 2025-26'. For 2025-26, states have budgeted a gross fiscal deficit at 3.3 per cent of GDP while improving composition of spending by restraining revenue expenditure. "The deficit exceeding 3 per cent mainly reflects 50-year interest-free loans from the Centre under special assistance to states for capital investment. This is over and above the normal net borrowing ceiling of states. In 2025-26, states have budgeted a gross fiscal deficit of 3.3 per cent of GDP," the report said.

(Business Standard)



REGULATION & DEVELOPMENT

Modi launches PM SVANidhi Credit Card in Kerala: Prime Minister Narendra Modi, during a brief visit to the Kerala capital on Friday, launched the PM SVANidhi Credit Card that 'will benefit street vendors, hawkers, and those working on footpaths across the country. Modi said this is a significant nationwide initiative for welfare of poor. He was happy that it is being launched from Thiruvananthapuram, where NDA had stormed the Corporation Council in recent local body polls.' PM SVANidhi credit cards were distributed on the occasion, including to 10,000 beneficiaries in the state of Kerala and more than 600 in Thiruvananthapuram alone.

(Business Standard)

NFRA members differ on the use of EBITDA in financial results: The members at the NFRA (National Financial Reporting Authority) were in conflict recently over the adoption of Ind AS 118, an accounting standard that deals with the "presentation and disclosure in financial statements". In a meeting held in December, NFRA member R. Narayanaswamy raised his concerns around the use of "EBITDA (earnings before interest, taxes, depreciation, and amortisation)" as a measure to report financial results. In his argument, Narayanaswamy said that the management-defined performance measures (MPMs) like EBITDA should be kept outside the financial statements and notes and disclosed instead in management commentary.

(Financial Express)

Central Government approves the Wage Revision as well as Pension Revision for PSGICs, NABARD and RBI: Central Government has approved the wage revision for Public Sector General Insurance companies (PSGICs). Additionally, it has approved pension revision for retirees of RBI and NABARD. The wage revision for the employees of PSGICs will be effective from 01.08.2022. The overall hike in wage bill shall be 12.41% with an increase of 14% on existing Basic pay and Dearness allowance. Family pension has been revised at the uniform rate of 30% from the date

of publication in the official gazette. Effective from 1st November, 2022, the hike in pay and allowances is about 20 percent for all Group 'A', 'B' and 'C' employees in NABARD. The Government has approved the revision of pension and family pension to the retirees of the Reserve Bank of India (RBI).

(PiB)



PARETO EFFICIENCY

- Pareto efficiency, also known as Pareto optimality, describes a situation in which resources are distributed in such a way that improving one person's well-being would inevitably reduce someone else's.
- Pareto efficiency implies that resources are allocated in the most economically efficient manner, but does not imply equality or fairness. An economy is said to be in a Pareto optimum state when no economic changes can make one individual better off without making at least one other individual worse off.



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 : 91.6195

INR / 1 GBP : 123.6246

INR / 1 EUR : 107.6211

INR /100 JPY: 57.7500

EQUITY MARKET

Sensex: 81537.70 (-769.67)

NIFTY: 25048.65 (-241.25)

Bnk NIFTY: 58473.10 (-727.00)

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)

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.