

DAILY NEWS DIGEST BY BFSI BOARD

28 January 2026



ECONOMY

India-EU pact: A Rs 6.4 lakh crore boost for farmers, small businesses, and 12 key states: The India–EU Free Trade Agreement is projected to deliver a Rs 6.4 lakh crore boost to Indian exports to the EU, while opening EU markets to Indian MSMEs, manufacturers, farmers, students, and professionals, said an official release on Monday. By eliminating 9,425 tariff lines and improving market access, the agreement will expand opportunities for labour-intensive sectors such as textiles, apparel, leather, gems & jewellery, handicrafts, agriculture exports in tea, spices, marine products and high-tech manufacturing exports of engineering goods, electronics, pharmaceuticals and medical devices, the release said. As many as 12 states are expected to benefit from the FTA. Export-oriented ecosystems such as textile and apparel belts, leather clusters, marine export hubs, pharma and electronics corridors stand to see direct demand expansion and stronger integration into EU supply chains.

(Moneycontrol)

Halwa served, budget preparation enters final stage: With 'halwa' prepared and served, the final stage of budget preparation begins on Tuesday. The Union Budget will be presented by Finance Minister Nirmala Sitharaman on February 1. The ceremony is a customary ritual in which traditional dessert 'halwa' is prepared and served to officials and staff members of the finance ministry who are involved in the preparation of the budget. The 'Halwa ceremony' precedes the 'lock-in' of the officials involved in preparation of the Union Budget, an official statement said.

(Business Line)

BANKING & FINANCE



Western Union launches Global Capability Centre in Hyderabad: Western Union, a cross-border, cross-currency money and payments company, has launched its Global Capability Centre (GCC) in Hyderabad in collaboration with HCLTech. Along with its Pune Tech Centre, the Hyderabad GCC will serve as a global hub for technology, engineering, and operations.

(Business Line)

RBI and ESMA sign MoU on coop and exchange of info for recognition of central counterparties: After prolonged negotiations, stretching almost two years, the Reserve Bank of India and the European Securities and Markets Authority (ESMA) on Tuesday finally signed an MoU on cooperation and exchange of information for the recognition of central counterparties (CCPs) regulated and supervised by RBI. This move is significant as it will facilitate capital flows into the Indian financial markets from European Union (EU) countries. It comes amid FPIs selling in the Indian equity markets due to high tariffs slapped by the Trump regime on India's exports, geopolitical implications of the US capturing Venezuela President and his wife and threats to acquire Greenland, among others. CCPs interpose themselves between counterparties to contracts traded, becoming buyer to every seller and seller to every buyer.

(Business Line)

RBI's big push on disaster relief: RBI) has proposed a new set of guidelines aimed at helping banks and other regulated entities manage loan stress caused by natural disasters. The draft framework, released on Tuesday, focuses on the implementation of resolution plans for borrowers affected by events such as floods, landslides, and other climate-related calamities. According to the draft guidelines, banks will be required to factor in the impact of natural calamities while framing their credit policies. The RBI said the proposed framework follows a principle-based approach, giving regulated entities (REs) flexibility in designing and implementing resolution plans. The

proposed framework applies to borrowers who have not defaulted for more than 30 days at the time of the calamity.

(Economic Times)

RBI advances OMO auction, announces VRR after bond yields surge: RBI advanced its bond purchase via open market operations (OMOs) to January 29 and February 5, from the earlier dates of February 5 and February 12, 2026, after the yield on the 10-year benchmark government security (G-sec) surged to 6.72 per cent — its highest level since March 4, 2025. The RBI will infuse ₹50,000 crore in each of the two OMO tranches. While the auction dates were advanced, the total amount of liquidity injected remained unchanged. Market participants said advancing the OMO dates gives the RBI more flexibility to conduct additional operations. They added that the amount of liquidity injected was lower than expected, which pushed yields higher on Tuesday.

(Business Standard)

Credit card spends rise 13.6% to ₹17.65 trillion in April-December FY26: Credit card spends increased 13.57 per cent year-on-year (YoY) to Rs 17.65 trillion in the April–December period of FY26 from Rs 15.54 trillion in the year-ago period, aided by growth in seasonal consumption and GST rationalisation, latest data released by the Reserve Bank of India showed. Spends in December 2025 rebounded from November, rising 9.04 per cent YoY to Rs 2.05 trillion from Rs 1.89 trillion in December 2024 and Rs 1.89 trillion in November. December was the fourth occasion in 2025 when total monthly credit card spend crossed Rs 2 trillion. The outstanding number of credit cards in the system rose 7.14 per cent YoY in December 2025 to 115.78 million from 108.06 million at the end of December 2024, and 114.87 million in November 2025.

(Business Standard)

INDUSTRY OUTLOOK



India offers EU auto quota six times larger than UK deal: India has agreed to give European automakers a quota more than six times larger than any it has offered in recent times, slashing tariffs under a trade pact with the European Union and granting far greater access to its tightly protected car market. The agreement will gradually allow up to 250,000 European-made vehicles to enter India at preferential duty rates, according to people familiar with the negotiations — far above the 37,000-unit quota extended to the UK under a separate deal. Of this, about 160,000 units with internal combustion-engine cars will see import duties fall to 10% within five years while for 90,000 electric vehicles, this levy will kick in by the 10th year to protect the nascent Indian electric vehicle market, the people said. The initial in-quota tariffs will start at about 30% for most segments.

(Business Line)

TCS to set up new campus in Brazil with an investment of Rs 330 crore: Tata Consultancy Services (TCS) has announced a Rs 330 crore investment to develop a new facility in Brazil to deepen its presence in Latin America. The company stated that the centre in Londrina, Brazil, will be a major delivery and innovation centre, and will create 1,600 new jobs. The Tata group company and India's biggest IT services player said this is one of its largest investments in Latin America, and the centre is expected to be completed by 2027.

(Financial Express)

EU trade deal may stitch India's \$100 billion textile export dream by 2030: The proposed trade deal with the 27-nation European Union (EU) is expected to provide zero-duty access to the \$95 billion European market for Indian textile and apparel manufacturers. Currently, India's share of the European market is just 6 per cent, or \$5.5 billion. Industry experts expect this could double to \$11 billion over the next five years. The deal could also play a crucial role in helping India achieve its ambitious

target of \$100 billion in textile and apparel exports by 2030, from \$37.7 billion in FY25. This comes at a time when Indian exporters have been hit hard by increased tariffs in the US market. Knitwear hub Tiruppur alone is estimated to have suffered losses of ₹15,000 crore in 2025 due to higher US tariffs.

(Business Standard)



REGULATION & DEVELOPMENT

PFRDA introduces NPS Swasthya scheme for medical expenses: The NPS Swasthya Pension Scheme is a new initiative launched by PFRDA, to assist individuals in covering medical expenses through their pension savings. It is initially being tested as a small pilot project within a special “sandbox” system. According to the PFRDA circular issued on January 27, 2026, "The NPS Swasthya Pension Scheme shall be introduced as a specific sector scheme under the NPS, intended exclusively to provide financial support for out-patient and in-patient medical expenses, within the framework of the Multiple Scheme Framework ('MSF'). Subscribers (excluding those under the Government Sector and Government-owned Corporates), aged above 40 years, shall be allowed to transfer up to 30% of their own and/or employee contributions from the Common Scheme Account to the NPS Swasthya Pension Scheme Account.

(Moneycontrol)

Department of Posts signs Agreement with Stock Holding Services Limited to Promote Access to Capital Market Services: The Department of Posts (DoP), Ministry of Communications, Government of India, signed an agreement with Stock Holding Services Limited (SSL) to promote access to regulated capital market services for citizens across the country. With its extensive nationwide network of more than 1.65 lakh post offices, including a strong presence in rural and remote areas, India Post plays a significant role in extending financial services to underserved populations.

(PiB)



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



FINANCIAL TERMINOLOGY

Below-the-Line Advertising

- Below-the-line advertising promotes projects in mediums other than the mainstream formats of radio, television, billboards, print, and film. These advertising systems include direct mail campaigns, social media marketing, trade shows, catalogs, and targeted search engine marketing. Below-the-line advertising methods tend to be less expensive and more focused, reaching customers more directly than above-the-line strategies.
- Companies can target specific demographics with their advertising campaigns, such as the age of a consumer or the industry of a company.



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 : 91.8244
INR / 1 GBP : 125.6856
INR / 1 EUR : 109.0635
INR /100 JPY: 59.4500

EQUITY MARKET

Sensex: 81857.48 (+319.78)
NIFTY: 25175.40 (+126.75)
Bnk NIFTY: 59205.45 (+732.35)

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.