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

DAILY NEWS DIGEST BY BFSI BOARD

29 January 2026

ECONOMY

Govt to stick to fiscal deficit target, no space for easing, says PM-EAC chairman Mahendra Dev: The Central government will stick to its goal of 4.4 percent fiscal deficit as there is no room for further easing, said professor Mahendra Dev, the chairman of the PM-Economic Affairs Council. However, the government now needs to target its debt-to-GDP ratio, which currently stands at 56.1 percent, he said in an interview. In addition, the top economist said the recently concluded India-EU free trade deal will help soften blow from external factors, as New Delhi seeks to cut trade dependence on few countries. The professor also expressed confidence that India will grow at 6.5-7 percent in FY27. The India-EU FTA is being called as the mother of all deals because 2 billion people and 27 to 28 countries are involved.
(Moneycontrol)

Industrial growth accelerates to 7.8% in Dec: With a strong support from manufacturing and mining, the growth rate of factory output, based on Index of Industrial Production (IIP), strengthened to a 25-month high of 7.8 per cent in December, Statistics Ministry reported on Wednesday. “Growth in IIP in December 2025, is driven by across-the-board surge in manufacturing, mining and electricity,” the Ministry said. In manufacturing, the highest growth was recorded by industries including ‘computer, electronic and optical products (34.9 per cent), motor vehicles, trailers and semi-trailers (33.5 per cent) and other transport equipment (25.1 per cent)’.
(Business Line)

India puts quantitative limit, minimum price, 20% duty on apple imports from EU: The Centre has said it will allow import of apples from the European Union countries at a Minimum Import Price (MIP) of ₹80 per kg besides 20 per cent duty (against 50 per cent now). Further, there is also a quantitative restriction of a maximum of 50,000 tonnes, to be raised to 1,00,000 tonnes over 10 years. These safeguards will protect the domestic apple growers. India's apple imports were about 5 lakh tonnes (lt) in 2024 followed by Iran at 133,447 tonnes (share 25.7%), Türkiye at 116,680 tonnes (22.5%), Afghanistan at 42,716 tonnes (8.2%) whereas total imports from all EU countries were 56,717 tonnes (11.3%).

(Business Line)

Fed leaves rates unchanged, signals cautious outlook as US economy improves: Federal Reserve officials left interest rates unchanged and pointed to improvements in the US economy as they signaled a more cautious approach to potential future adjustments. The Federal Open Market Committee voted 10-2 Wednesday to hold the benchmark federal funds rate in a range of 3.5%-3.75%. Governors Christopher Waller and Stephen Miran dissented in favor of a quarter-point reduction. In a post-meeting statement, policymakers said "job gains have remained low, and the unemployment rate has shown some signs of stabilization." Officials also dropped language pointing to increased downside risks to employment that had appeared in the three previous statements.

(Business Standard)

BANKING & FINANCE

Cash withdrawals from ATMs decline in 2025, says report: Cash withdrawals across automated teller machines in the country showed signs of decline in 2025, a report by a leading company managing such facilities said on Wednesday. However, the average ticket size of withdrawals seems to be increasing, it added. According to the report by CMS Info Systems, the monthly average cash dispensed per ATM in

2025 stood at Rs 1.21 crore across the country against Rs 1.30 crore in 2024-25. The CMS Consumption Report for 2025 said the monthly average ticket size of ATM withdrawals increased by 4.5 per cent to Rs 5,835 in 2025 from Rs 5,586 in 2024. ATMs in Karnataka had the highest withdrawals at Rs 1.73 crore per machine, while the Union territory of Jammu and Kashmir reported the lowest at Rs 83 lakh, as per the report.
(Economic Times)

PSBs shun low yields, high costs to protect margins: State-run banks offset margin pressure in the third quarter by shedding high-cost bulk deposits, increasing retail advances and reducing lower-yielding government company loans, which helped them improve net interest margins (NIMs) despite falling interest rates. Seven out of eight public sector banks that released quarterly results so far held on to or improved margins from the previous three months, helping them maintain profitability despite a challenging macro environment.
(Economic Times)

Credit card spends bounce back in Dec, numbers also rise: Credit card usage in Mumbai saw an 8% rebound last month, reaching ₹2.05 lakh crore due to seasonal demand and year-end spending. Net new card additions hit a three-month high of over 900,000, boosting the total active cards to 115.7 million. Analysts anticipate steady spending momentum, supported by ongoing consumption trends and festive demand.
(Economic Times)

SBI Card Q3FY26 results: Profit jumps 45% to ₹557 crore, revenue up 11%: SBI Cards and Payment Services on Wednesday reported a 45 per cent jump in its consolidated net profit to ₹557 crore in the third quarter of the financial year 2025-26 (Q3FY26). During the same period last year, the company's net profit stood at ₹383.23 crore. On a sequential basis, profit increased by 25 per cent from ₹445 crore in Q2FY26. The company's net interest income (NII) stood at ₹2,591 crore during the quarter, up 17 per cent year-on-year (Y-o-Y) and 5 per cent sequentially. Meanwhile, its total revenue from operations increased by 11 per cent Y-o-Y to ₹5,127 crore from ₹4,619 crore in Q3FY25. In Q2FY26, SBI Card reported a total revenue of ₹4,961 crore.
(Business Standard)

India allows European Union banks to open 15 branches in four years: India has allowed the European Union (EU) banks to open up to 15 branches over four years in the country once the trade pact takes effect, while Indian banks will face no cap on branch openings in the EU, a commerce ministry official said. India made a similar offer in its trade agreement with New Zealand, permitting up to 15 branches for New Zealand banks over a four-year period.

(Business Standard)

INDUSTRY OUTLOOK

India to grant tariff concessions to 100,000 EU ICE cars in year 1 of FTA; EVs below €20,000 excluded: India will grant tariff concessions to 100,000 internal combustion engine (ICE) cars at preferential import duties in the first year of its agreement with the European Union, including 34,000 cars priced €15,000–35,000, 33,000 cars priced €35,000–50,000, and 33,000 cars priced above €50,000, commerce ministry sources said. The quota will gradually rise to 160,000 units in the tenth year of the FTA while import duties on ICE cars will fall to 10 percent in year 5, making European models more affordable for Indian consumers. For electric vehicles, tariff concessions under the deal will kick in only in the fifth year of the FTA. The proposed duty rates will vary by vehicle price: 35 percent for those priced €20,000–€40,000, 30 percent for €40,000–€60,000, and 30 percent for vehicles above €60,000, sources said.

(Moneycontrol)

Ayush Ministry signs MoU with Zepto to enable online sale of medicines: The Ayush Ministry on Wednesday signed an MoU between its export promotion council and Zepto Limited to facilitate online access to Ayush medicines and wellness products across the country. The memorandum of understanding (MoU) aims to strengthen digital discovery while ensuring quality compliance and consumer trust in traditional healthcare products.

(Business Standard)

Indian MSME exporters hit by seizures as CBAM payment phase begins: India's small steel exporters are reporting the first wave of shipment seizures at European ports and order cancellations due to missing compliance reports, marking the most serious disruption yet for the country's steel MSMEs since the European Union's (EU's) Carbon Border Adjustment Mechanism (CBAM) entered its payment phase on January 1. India was unable to secure any concession on CBAM in the free trade agreement signed with the EU on January 27. CBAM is the EU's tool to impose a "fair price" on carbon embedded in carbon-intensive goods — such as steel, cement, and aluminium — entering the bloc. It is mandatory for imports exceeding 50 tonnes per calendar year.

(Business Standard)

REGULATION & DEVELOPMENT

India and the European Union Conclude Free Trade Agreement Negotiations on Financial Services: India and the European Union have concluded negotiations on Financial Services in the India-EU Free Trade Agreement (FTA). FTA aims to provide the necessary institutional and regulatory framework to accelerate bilateral collaboration, facilitate market access, and catalyze deeper integration of the financial systems of both economies. With around $83 billion total services trade in 2024, India and EU share a robust commitment to strengthening bilateral cooperation in the financial services sector. Negotiations mark a significant milestone in strengthening bilateral economic and strategic cooperation with innovative provisions on digital payments and fintech.

(PiB)

UIDAI rolls out updated Aadhaar app with biometric lock, family access: The Unique Identification Authority of India (UIDAI) on Wednesday launched a revamped version of its Aadhaar app, with updated features such as online updation of mobile number and address. For enhanced security, the updated app will also feature a oneclick biometric locking and unlocking option, and allow users to share an encrypted version of their Aadhaar card from the app. The Aadhaar details of up to five people from the same family can be uploaded and stored in a single account on the app, with the flexibility to allow users to disclose only the necessary data from their Aadhaar card.

(Business Standard)

FINANCIAL TERMINOLOGY

PARTICIPATORY NOTES

- Participatory notes, known as P-notes or PNs, enable investors or hedge funds not registered with the Securities and Exchange Board of India (SEBI) to invest in Indian securities.
- These Offshore Derivative Instruments allow foreign investors to bypass direct registration, facilitating quick and anonymous market access. Despite their popularity, P-notes are controversial due to regulatory concerns about anonymity and unaccounted funds entering India.
- Investors receive dividends or capital gains from securities, but Indian regulators worry that hedge funds using participatory notes might create market volatility.

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

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 : 91.6945
INR / 1 GBP : 126.5946
INR / 1 EUR : 109.9869
INR /100 JPY: 60.0600

EQUITY MARKET

Sensex: 82344.68 (+487.20)
NIFTY: 25342.75 (+167.35)
Bnk NIFTY: 59598.80 (+393.35)

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.*