ICMAI
भारतीय लागत लेखाकार संस्थान
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
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

02 September 2026

India manufacturing PMI falls to five-year low of 52.8 in August: With weak growth in output and new orders, the manufacturing sector in India continued to show weakness in August, as the Purchasing Managers' Index (PMI) slipped to a five-year low of 52.8 in the said month, S&P Global reported on Tuesday. It was 53.5 in July. This is the third successive month of decline. PMI is based on responses from purchasing executives of 400 companies. An index above 50 means expansion and below 50 means contraction.

(Business Line)

Modi pitches greater SCO economic connectivity with sovereignty caveat: Prime Minister Narendra Modi has backed greater economic connectivity among members of the Shanghai Cooperation Organisation (SCO), but stressed that efforts to link markets and facilitate trade must respect the sovereignty and territorial integrity of all countries, a principle that underpins New Delhi's opposition to China's Belt and Road Initiative (BRI). Against the backdrop of the continuing conflict in West Asia, Modi warned the ten-member SCO – which includes India, China, Pakistan, Russia, Iran, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan – that conflicts could no longer be viewed as isolated regional events, as they impacted global economy, energy security, maritime trade.

(Business Line)

RBI intervention takes rupee to two-month high: The Indian rupee extended its gains for a fourth consecutive session, supported by the intervention by the Reserve Bank of India and dollar inflows, according to currency traders. The currency rose 22 paise to 94.95 against the dollar on Tuesday, the highest level in two months.The rupee rose above the 95 level in nearly two months. Following this, the Indian rupee was the best-performing Asian currency on Tuesday. Over the past week, the rupee gained 0.8%. In the calendar year so far, the rupee declined 5.65%. “The RBI sold dollars early in the session around the 95.15 level, pushing the rupee down to its opening near 95.00, after which some dollar inflows supported the currency,” said Anil Kumar Bhansali, head of treasury, Finrex Treasury Advisors LLP.

(Financial Express)

Robust inflows into FCNR (B) deposits: Banking system liquidity surplus at Rs.6.65 lakh cr: Thanks to the robust inflows into FCNR (B) deposits during the June 8, 2026 to August 31, 2026 period under the RBI’s concessional swap facility, the banking system is currently awash with liquidity, with the surplus at last count (August 31, 2026) at a whopping Rs.6.65 lakh crore. To absorb this surplus, the RBI on Tuesday conducted two Variable Rate Reverse Repo (VRRR) auctions for Rs.6 lakh crore and Rs.4 lakh crore. The first VRRR auction of seven days duration to drain out Rs.6 lakh crore saw a relatively muted response, with banks parking Rs.1,14,320 crore at weighted average rate (WAR) of 5.24 per cent. However, the second VRRR auction (overnight) to suck out Rs.4 lakh crore saw a better response, with banks parking Rs.2,59,846 crore at a WAR. of 5.24 per cent.

(Business Line)

$100 bn and counting: FCNR (B) inflows cross the century-mark: Capital inflows under the Foreign Currency Non-Resident (Bank), or FCNR(B), deposit scheme crossed the $100-billion mark by the August 31 deadline, according to official sources privy to the matter. The Reserve Bank of India’s special swap window also attracted additional inflows through external commercial borrowings (ECBs) and overseas foreign currency borrowings (OFCBs), although the sources did not specify the latest amounts under these two categories. While the FCNR(B) window closed on Monday,

banks will be allowed to avail of the swap facility for deposits already contracted until September 11. While the swap deposits have a minimum maturity of three years and a maximum maturity of five years, most of the inflows came in the latter category.
(Financial Express)

Bank loan reclassification masks microfinance growth: MFIN: Banks' reclassification of microfinance loans as retail credit has weighed on overall loan growth in the microfinance sector, according to the Microfinance Industry Network (MFIN), one of the sector's self-regulatory bodies. According to its 58th edition of Micrometer, the gross loan portfolio (GLP) of the microfinance industry grew 1.1% sequentially to Rs.3.29 lakh crore in the first quarter of FY27. On a year-on-year basis, however, the sector's GLP declined 7% from Rs.3.53 lakh crore in the June 2025 quarter. “While the GLP has inched up, the increase would have been much higher but for the shifting of loans from microfinance bureau to retail bureaus,” MFIN said.
(Financial Express)

Banks lose share in microfinance lending: Banks' microfinance portfolio declined by 28.5% year-on-year to Rs.83,080 crore as of June 2026, reducing their industry share from about 33% to nearly 25%. MFIN said the decline was partly magnified by the reclassification of certain microfinance loans as retail loans, while NBFC-MFIs expanded their portfolios and led the sector's recovery.
(Business Standard)

Capri Global plans debut overseas bond issue: NBFC Capri Global Capital has entered the international debt market for the first time, seeking to raise approximately \$300–500 million through bonds with a tenure of three years and three months. The proposed issue, carrying initial price guidance of around 7.75%, forms part of its \$1-billion global medium-term-note programme.
(Reuters)

NCLT stays approval of Subhash Chandra's Rs.6.25-crore repayment plan: A five-member Bench of the National Company Law Tribunal (NCLT) has stayed a smaller Bench order on August 25 approving a Rs. 6.25-crore repayment plan proposed by Essel Group founder Subhash Chandra, observing that there was no clear majority view among the members who had earlier heard the matter. The Bench also restrained Chandra, described in the order as the guarantor, from alienating any of his properties, either directly or indirectly, and issued notices to all parties in the proceedings.
(Business Line)

Zomato bans sale of analogue dairy dishes on platform: Zomato on Monday said it will not allow dishes made with analogue dairy on its platform, and has begun removing items that restaurant partners have themselves declared as containing such ingredients. The Eternal-owned food delivery platform said it has adopted a zero-tolerance policy on the sale of analogue dishes and reserves the right to pull down any listing found in violation. Restaurants that remain non-compliant will be delisted, it said. However, the company did not provide a timeline for compliance or the number of restaurants that have been delisted so far.
(Financial Express)

Canada Pension Plan Investments commits Rs.2,070 Crore to NIIF Infrastructure Fund II: Canada Pension Plan Investment Board (CPP Investments) has committed about Rs.2,070 crore ($215 million) to NIIF Infrastructure Fund II, the second India-focused infrastructure fund managed by National Investment and Infrastructure Fund (NIIF). The fund will invest in infrastructure assets and platforms across India, focusing on sectors benefiting from long-term structural trends.
(Economic Times)

Irdai proposes Public Insurance Registry to boost transparency, data sharing: The Insurance Regulatory and Development Authority of India (Irdai) on Tuesday proposed the creation of a Public Insurance Registry (PIR), a population-scale digital public infrastructure aimed at making the insurance ecosystem more connected, transparent and accessible. The proposed registry is envisaged as an interoperable and non-exclusionary digital infrastructure, drawing on the experience of platforms such as the JAM trinity, credit information bureaus and UPI. It seeks to address information and interoperability gaps in the insurance sector by creating a consistent and authoritative view of insurance records, while allowing data to remain with the institutions that hold it. Under the framework, insurers could access verified information across the ecosystem, including policy and claims data, to improve underwriting, pricing and product design. The registry could also help identify protection gaps and improve claims and customer servicing.

(Financial Express)

DGFT Enables Automated Issuance of Free Sale and Commerce Certificates to Promote Ease of Doing Business: The Directorate General of Foreign Trade (DGFT) has enabled automated issuance of Free Sale and Commerce Certificates (FSC) on the DGFT portal. These Certificates are issued to exporters, under Foreign Trade Policy, for items which are not covered under the Drugs & Cosmetics Act, 1940. At present, such certificates are issued by Regional Authorities (RAs) of DGFT after scrutiny and verification. Eligible applications will now be considered for automatic issuance in accordance with the prevailing framework, without being routed for manual scrutiny. The automated mechanism is expected to reduce processing time for a significant category of FSC applications and lower the compliance burden associated with the earlier manual process.

(PiB)

FINANCIAL TERMINOLOGY

DELIVERED DUTY UNPAID (DDU)

- Delivered Duty Unpaid (DDU) is an old international trade term indicating that the seller is responsible for the safe delivery of goods to a named destination. The seller pays all transportation expenses and assumes all risks during transport.
- The buyer becomes responsible for paying import duties when the goods arrive at the agreed-upon location as well as further transport costs. Delivered Duty Paid (DDP) indicates that the seller must cover duties, import clearance, and any taxes, however.
- Delivered Duty Unpaid (DDU) isn't included in the most recent 2023 edition of the International Chamber of Commerce's Incoterms. The official term that best describes the function of DDU is now "Delivered-at-Place (DAP)."

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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 : 94.8697
INR / 1 GBP : 128.4311
INR / 1 EUR : 110.0694
INR /100 JPY: 59.3100

EQUITY MARKET

Sensex: 76944.28 (-12.99)
NIFTY: 24055.80 (-24.60)
Bnk NIFTY: 57409.60 (-615.35)

Courses Conducted by BFSI Board

- Certificate Course on Concurrent Audit of Banks
- Certificate Course on Credit Management of Banks
- Certificate Course on Investment Management
- Certificate Course on General Insurance
- Advance Certificate Course on FinTech
- Certificate Course on Project Financing
- Certificate Course on Cost Control Strategies in the Banking Sector
- Certificate Course on Treasury, Foreign Exchange and International Banking

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)
- BFSI Chronicle (quarterly issue of BFSIB)
- 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
- Expected Credit Loss (ECL) Framework – A Practical Handbook for Indian Banks
- Handbook on Restructuring of Bank Loans

For details, please visit the BFSIB portal on the ICMAI website.

CMA Harshad S. Deshpande, Chairman
Banking, Financial Services & Insurance Board (BFSIB)
The Institute of Cost Accountants of India (ICMAI)