



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)



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

10 October 2026



RBI announces Rs 25,000 crore OMO sale; bond yields seen opening 4-5 bps higher on Monday: RBI on October 9 announced an open market operation (OMO) sale of government securities worth Rs 25,000 crore to absorb surplus liquidity from the banking system. Market participants expect the announcement to put pressure on bond prices, with yields likely to open higher on Monday. “Bond yields may open 4-5 basis points higher on Monday following the RBI’s announcement of the OMO sale,” said a dealer at a primary dealership. OMO sales drain liquidity from the banking system as the central bank sells government securities to market participants in exchange for funds. The latest announcement comes as the RBI continues to manage the liquidity surplus following inflows under its FCNR-B deposit mobilisation measures.

(Moneycontrol)

World economic growth to slow to 2.6% in 2026, UN trade body says: Global economic growth will likely slow to 2.6% in 2026, down from 2.9% last year, as the energy shock from the crisis in West Asia is putting the global economy to the test, the United Nations agency for trade and development said on Friday. Trade in goods and services is expected to expand by 4% in constant prices, after global trade reached a record \$35 trillion in 2025, but the projected rise is driven by higher energy prices, UNCTAD said in its trade and development report.

(Business Line)

Crude oil, uneven monsoon pose risk to banks despite benign asset quality: **Report:** Higher crude oil prices and drought conditions in five states may impact Indian banks' asset quality outlook. This follows a stable credit cost scenario for private and



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)



H.Q: CMA Bhawan, 3, Institutional Area, Lodhi
Road, New Delhi – 110 003
Kolkata Office: CMA Bhawan, 12 Sudder Street,
Kolkata – 700 016

public sector banks. The report suggests monitoring external factors affecting borrowers' repayment capacity. While deposit growth has improved, there are risks to profitability and net interest margins. Investors are advised to keep an eye on these developments in the coming quarters.

(Economic Times)



RBI raises daily CRR maintenance requirement to 99% from October 16: RBI on October 9 raised the minimum daily cash reserve ratio (CRR) maintenance requirement for banks to 99 per cent from 90 per cent of the prescribed requirement, effective from the fortnight beginning October 16. Under the existing framework, banks are required to maintain at least 90 per cent of their prescribed CRR on a daily basis during a reporting fortnight, while ensuring that the average daily balance is not below the prescribed CRR. The revised requirement will reduce banks' flexibility to dip below their prescribed reserve requirement on individual days. The impact on individual banks will depend on their existing reserve positions and liquidity management.

(Moneycontrol)

Rabi crop risks put banks' agri loan books in focus: The upcoming Rabi season is emerging as a key risk for agricultural credit, with weak reservoir levels and El Nino conditions threatening to pressure rural cash flows even as banks have not seen any meaningful deterioration in repayments or delinquencies so far. While announcing the outcome of the Monetary Policy Committee meeting on Wednesday, the Reserve Bank of India Governor Sanjay Malhotra said that the weak southwest monsoon along with strong El Nino conditions may impact the upcoming rabi season and rural demand. The likely resilient non-farm activity, however, will continue to support rural consumption, he added.

(Financial Express)



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)



H.Q: CMA Bhawan, 3, Institutional Area, Lodhi
Road, New Delhi – 110 003
Kolkata Office: CMA Bhawan, 12 Sudder Street,
Kolkata – 700 016

Ageas Federal launches multi-currency life insurance plan at GIFT City: Ageas Federal Life Insurance has launched a multi-currency unit-linked insurance plan (ULIP) at GIFT City, allowing customers to invest in US dollars, euros or pounds while receiving life insurance cover. The Aurum Advantage Plan is the insurer's first product launched at Gujarat International Finance Tec-City, India's International Financial Services Centre (IFSC), marking the commencement of its operations there. The plan offers investment options across international equities, fixed income and gold, allowing customers to diversify their portfolios across geographies and asset classes.

(Economic Times)

Bank profits may rise 25% in Q2FY27, margins to recover gradually in second half: Report: According to a report by Emkay Research, Indian banks might report a 25.4 percent year-on-year increase in net profit. Higher foreign currency deposits could exert pressure on lending margins, impacting profitability. Loan growth remains healthy, contributing to income increases and reduced provisions for loan losses. Overall banking system growth is anticipated to moderate as FCNR-B funding normalizes.

(Economic Times)

Banks' precious-metal imports lose tax exemption: The government did not extend the tax benefit available to banks importing gold, silver and other precious metals. According to Reuters, citing local media and the revenue secretary, banks have consequently been paying 3% Integrated GST since April. The government informed the GST Council about the position on 8 October. The stated objective is to ensure equal tax treatment of precious-metal imports through different routes. This is a clarification of an existing tax position, rather than a new levy introduced today.

(Reuters)



Exporters to get refunds for tax paid on plant and machinery: Exporters are set to get relief, with the GST Council recommending refunds of tax paid on plant and



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)



H.Q: CMA Bhawan, 3, Institutional Area, Lodhi
Road, New Delhi – 110 003
Kolkata Office: CMA Bhawan, 12 Sudder Street,
Kolkata – 700 016

machinery, widening the pool of recoverable taxes on services and simplifying rules governing when a transaction qualifies as an export. According to a note on the outcomes of the GST Council meeting, four conditions that had restricted export benefits have been eased, an earlier restriction on refunds has been resolved in favour of exporters and the refund process will increasingly be automated. The Council has recommended allowing exporters to claim refunds of GST paid on plant and machinery, with the refund spread over five years.

(Business Line)

Jio Platforms targets approximately \$106 billion valuation in proposed IPO: Jio Platforms is targeting a valuation of approximately Rs.10.3 trillion, or \$106 billion, according to bankers familiar with the transaction. Sources indicated a potential price band of Rs.1,065–Rs.1,119 per share. At the upper end, the offer could raise roughly Rs.30,200 crore, exceeding Hyundai Motor India's 2024 issue. The figures are source-based estimates rather than a confirmed company announcement; Reliance had not immediately responded to Reuters' request for comment.

(Reuters)

Government rejects monopoly allegations over Starlink's India entry: India's telecom minister rejected allegations that political influence was obstructing Starlink's launch. Responding to Elon Musk's remarks concerning Mukesh Ambani, Jyotiraditya Scindia said India does not permit monopolies in any sector. The dispute brings attention to competition and regulatory access in satellite communications, an emerging business segment involving global satellite operators and established Indian telecom companies. The government's response defended its approach to market access.

(Reuters)



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)



H.Q: CMA Bhawan, 3, Institutional Area, Lodhi
Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street,
Kolkata – 700 016



CEA pitches for MSME-specific approach to NPA classification norms: Chief Economic Advisor V Anantha Nageswaran on Friday made a case for revisiting non-performing asset (NPA) classification norms for micro, small and medium enterprises (MSMEs) by the Reserve Bank, saying the rules should reflect domestic business practices and cash flow patterns rather than follow a globally uniform framework. From a policy perspective, the Finance Ministry has been advocating a review of the norms, Nageswaran said, highlighting that MSMEs across sectors have different working capital requirements and cash flow cycles.

(Business Line)

IRDAI may roll out insurance commission caps from January, overhaul distribution rules: India's insurance regulator is planning significant reforms to the insurance distribution system, aiming for implementation soon. Proposed changes include capping commissions for brokers and reducing management expenses over time. These measures could substantially impact insurance-linked stocks and potentially affect up to one million jobs in the sector. Insurers and brokers have time to submit responses to the consultation paper until October 25.

(Economic Times)

GST Council recommends simpler registration, reconciliation and refund procedures: The 57th GST Council meeting recommended changes aimed at simplifying GST administration, including clearer registration documentation, improvements to the application portal, easier amendments to registration details and greater automation of refunds. The proposals also address return reconciliation and input tax credit discrepancies. Faster refunds could ease businesses' working-capital pressure, while simpler procedures could reduce compliance costs. These recommendations should be distinguished from operative rules: implementation depends on the relevant amendments, notifications and effective dates.



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)



H.Q: CMA Bhawan, 3, Institutional Area, Lodhi
Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street,
Kolkata – 700 016

(India Briefing)



FINANCIAL TERMINOLOGY

FISCAL DOMINANCE

- Fiscal dominance arises when the government's borrowing needs and debt burden constrain the central bank's ability to control inflation. For example, raising interest rates may be necessary to curb inflation, but it also increases the government's debt servicing costs. Pressure to keep borrowing affordable can therefore influence monetary policy and weaken the central bank's focus on price stability.
- For banks, fiscal dominance can affect inflation expectations, government bond yields and the real value of financial assets. It also highlights why sound public finances support effective monetary policy: a central bank has greater freedom to manage inflation when government debt remains sustainable.



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)



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: 5.50%

SDF: 5.25%

MSF & Bank Rate: 5.75%

CRR: 3.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 96.6149

INR / 1 GBP : 127.8859

INR / 1 EUR : 108.4728

INR /100 JPY: 61.0800

EQUITY MARKET

Sensex: 72472.33 (+879.09)

NIFTY: 22520.45 (+288.65)

Bnk NIFTY: 55256.65 (+741.60)



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)

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.