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

03 November 2026



Government bond yields log best session since April as crude prices slide: India's 10-year government bond yield fell sharply on November 2, logging its best session since early April, as a decline in crude oil prices eased concerns over imported inflation and the country's external and fiscal balances, said market participants. The benchmark 10-year bond yield closed at 7.32 percent, against 7.41 percent on Friday, marking a decline of 9 basis points. The rally in bond prices was driven primarily by a retreat in global crude oil prices, alongside softer US Treasury yields, which improved sentiment towards domestic debt. Brent crude futures fell more than 3 percent to around $110 a barrel on Monday after Iranian and Qatari officials held discussions for a third consecutive day aimed at securing a deal to end the The benchmark 10-year bond yield closed at 7.32 percent, against 7.41 percent on Friday, marking a decline of 9 basis points. The rally in bond prices was driven primarily by a retreat in global crude oil prices, alongside softer US Treasury yields, which improved sentiment towards domestic debt.

(Moneycontrol)

PMI manufacturing drops to 54.7 in October: Amid festivities, manufacturing activity in India slowed a bit, with the Purchasing Managers' Index (PMI) dropping to 54.7 in October, S&P Global reported on Monday. However, fresh job creation recorded an increase during the month, albeit at a slower pace. The data showed mixed trends. While output and new orders rose sharply, growth was at softer rates. Meanwhile, export order growth hit six-month igh and selling price inflation eased to nearly a four-year low. The PMI is derived based on responses from purchasing executives of 400 companies. Index above 50 means expansion, while below 50 means contraction.

"India's manufacturing PMI softened to 54.7 in October from 55.1 in the previous month but remained firmly in expansionary territory and above its long-run average.
(Business Line)

Institutional investors step up bets on private credit as insurers, pension funds and DFIs back new funds: Institutional investors are now allocating more funds to private credit, significantly from insurance companies and pension funds. Neo Alternative Asset Managers has seen its second fund receive 22-25% contributions from these investors. Ascertis Credit's fourth fund also attracted commitments exceeding $700 million from multiple institutional investors. With increased interest in private credit, annual investment opportunities are now estimated around Rs.1 lakh crore.
(Economic Times)



Irdai cuts share transfer approval fee by 80% to Rs.10 lakh for insurers: IRDAI issued a master circular clarifying requirements governing insurer registration, capital structure, share transfers and amalgamations. The circular reduces the processing fee for share-transfer approvals by 80 per cent and specifies compliance requirements for IPOs, employee stock options and amalgamations. It is effective from the date of issuance. Under the revised framework, the processing fee for share-transfer approvals under Regulation 22(4) has been slashed by 80 per cent to Rs.10 lakh from Rs.50 lakh. Fees paid before the notification date will remain non-refundable. Furthermore, applications for no-objection certificates (NOCs) filed before the notification of the Registration (Amendment) Regulations, 2026, will not attract processing fees under the applicable provision, while subsequent applications must be accompanied by the prescribed fees.
(Business Standard)

A month after RBI's rate hike, banks start raising deposit rates as liquidity shrinks, Bank of India the latest to move: Domestic banks are beginning to increase their deposit rates due to shrinking liquidity conditions in the market. Bank of India recently announced a rate hike on deposits for various maturities, including a special 500-day option. This decision reflects the growing cost of deposits in the banking system as demand for credit rises. Banking system liquidity has significantly decreased from its peak in early September. Bank of India (BoI) is the latest lender to raise its deposit rates.
(Economic Times)

Spandana Sphoorty reports Rs 7.8 crore cyber fraud in bank account: Spandana Sphoorty reported cyber fraud that led to unauthorized transactions of Rs 7.8 crore. The fraud was discovered on Sunday, prompting immediate action from the microfinance company. A senior official stated that the company has insurance that covers the losses incurred due to the fraud. Services associated with the fraud were halted, and investigations are currently underway. The company has requested its bank to reverse the transactions and investigate further.
(Economic Times)

Banks' credit-deposit ratio in 3 southern states above 100%: Bank deposits increased 16.6 per cent year-on-year (Y-o-Y) to Rs.284.37 trillion as of October 15, 2026, according to RBI report. However, credit grew faster at 17.94 per cent, a pattern seen every year since financial year 2022-23 (FY23). Banks are lending out a growing share of what they collect. The credit-deposit (CD) ratio of scheduled commercial banks surpassed 80 per cent in FY26. It stayed above 80 per cent till October 15, FY27. Private banks led this rise. Their ratio returned to over 90 per cent in FY26 after a brief fall the previous year. The ratio stayed more or less there in the first quarter (Q1) of FY27. It was above the 76-80 per cent optimum range cited in an SBI Research report. The ratio varies widely across states. Andhra Pradesh, Tamil Nadu, and Telangana continued to have CD ratios over 100 per cent, with Andhra Pradesh at the top, crossing 150 per cent in FY26. At the other end, Goa and Arunachal Pradesh lent less than a third of the deposits they collected.
(Business Standard)

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FM Sitharaman says she will consider investors' concerns on equity taxation: Union Finance Minister Nirmala Sitharaman on November 2 acknowledged growing concerns among foreign portfolio investors (FPIs) and domestic equity market participants over India's taxation regime, saying she would consider the feedback even as the government remains focused on sustaining economic growth of 7 percent or more. The LTCG tax on sale of equities by foreign and domestic investors is 12.5 percent without indexation benefits. The tax is applicable on gains exceeding Rs 1.25 lakh per financial year on listed shares. No such limit is applicable on sale of unlisted shares.

(Moneycontrol)

10-year Gsec yield falls 10 bps, rupee gains for 2nd day as oil prices rise: Bond yields fell sharply on Monday, tracking a steep decline in crude oil prices, while the rupee extended its gains for a second consecutive session. The US dollar, meanwhile, weakened ahead of the US midterm elections scheduled for November 3. The yields on the benchmark 10-year government bond fell nearly 10 basis points (bps) on Monday, marking its sharpest decline in seven months.The 10-year bond yields have declined 17 bps from their four-year high of 7.48 per cent recorded on October 26, 2026. They have risen 95 bps over the past year and 90 bps so far in the current calendar year.

(Business Standard)

Trai tightens consumer complaint rules, caps penalties at Rs.20 lakh: Telecom firms may be penalised up to Rs.20 lakh for improperly handling or disposing of consumer complaints, according to new regulations of the TRAI. To tackle consumer grievances more efficiently, the regulator announced the amended Telecom Consumers Complaint Redressal (Fourth Amendment) Regulations, 2026.These came nearly a decade after they were last changed. Financial disincentives will be levied for

failure to comply with the amended rules or if deficiencies in dealing with complaints or appeals are found during reviews or audits. Penalties will start with Rs.1,000 for a complaint improperly dismissed, and Rs.5,000 per appeal on service providers, which would be capped at Rs.20 lakh per quarter per service area or circle. The disincentive has been reduced from Rs.50 lakh, proposed earlier in May.

(Business Standard)



SEBI allows REITs, InvITs to issue depository receipts on GIFT City exchanges; sets 75 percent approval norm: Market regulator Securities and Exchange Board of India (SEBI) has allowed Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) to issue depository receipts (DRs) backed by their units and list them on GIFT City exchanges, opening another route to attract foreign investment. DRs are foreign currency-denominated instruments issued by a foreign depository against underlying units deposited with a domestic custodian. Under two circulars issued on Monday, SEBI has specified the framework for such issuances. The permitted exchanges are India International Exchange (India INX) and NSE International Exchange, both located in the International Financial Services Centre (IFSC) at GIFT City. SEBI has specified that any fresh issue of DRs will require prior approval from unitholders, with at least 75 percent of the total votes cast in favour of the resolution.

(Moneycontrol)

Labour Bureau prepares to revise CPI-IW base year, expand coverage: The Labour Bureau is preparing to revise the base year of the Consumer Price Index for Industrial Workers (CPI-IW), with the exercise expected to expand sectors and locations covered by the index, according to two people aware of the matter. It would also introduce technology-based methods of price collection and scrutiny. The bureau has constituted an expert group chaired by former National Statistical Office (NSO) director general A K Sadhu to provide technical guidance on the base-year revision.

(Business Standard)

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Sebi cuts cool-off period for OFS by off-market illiquid Invits to 8 weeks: Markets regulator Sebi on Monday reduced the cooling-off period for offer-for-sale (OFS) transactions by privately placed illiquid infrastructure investment trusts (InvITs) to 8 weeks from 12 weeks earlier. At present, the cooling-off period for transactions â€“ purchases or sales before and after an OFS â€“ is based on liquidity. It stands at two weeks for the most liquid shares, four weeks for liquid shares and 12 weeks for illiquid shares.Privately listed InvITs face inherent liquidity constraints due to their high trading lot size, which limits participation largely to institutional investors, body corporates and high-net-worth individuals.Consequently, trading volumes in such InvITs tend to remain thin and they may fall under the illiquid category because of these structural liquidity constraints.

(Business Standard)



Credit Valuation Adjustment (CVA)

- Credit Valuation Adjustment (CVA) is an adjustment to the value of a derivative that reflects the possibility of the counterparty defaulting before meeting its contractual obligations. A derivative may have a positive market value for a bank, but that value may not be fully recoverable if the counterparty fails. CVA captures the market value of this counterparty credit risk and generally reduces the derivative's value from its default-free valuation.
- CVA depends on factors such as expected future exposure, the counterparty's credit quality, expected recovery and collateral arrangements. For example, a bank entering into a long-term interest rate swap faces the risk that the counterparty may default when the swap has a positive value for the bank. Netting agreements and collateral can reduce this exposure, although they may not eliminate it completely.

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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 : 94.8755
INR / 1 GBP : 127.1490
INR / 1 EUR : 106.1163
INR /100 JPY: 60.1000

EQUITY MARKET

Sensex: 75692.78 (+1233.25)
NIFTY: 23440.80 (+387.70)
Bnk NIFTY: 55002.20 (+315.25)



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

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