DAILY NEWS DIGEST BY BFSI BOARD

13 August 2026

Retail inflation rises 4.45% in July, stays above RBI midpoint target for second month: India’s retail inflation rose for the fourth consecutive month in July, with consumer prices increasing 4.45 percent from a year ago compared with 4.38 percent in June, as food prices remained elevated. The July print also marked the second consecutive month that headline inflation remained above the Reserve Bank of India’s 4 percent target. Inflation has accelerated by nearly one percentage point since April, when it stood at 3.48 percent. Food prices remained the primary driver of the increase. Inflation based on the Consumer Food Price Index rose to 5.52 percent in July from 5.32 percent in June. Rural food inflation increased to 5.79 percent, compared with 5.05 percent in urban areas.
(Moneycontrol)

Exim Bank projects India's merchandise exports to grow 17.6% in Q2FY27: State-owned Export-Import Bank of India (Exim Bank) on Wednesday estimated that India’s total merchandise exports would grow 17.6 per cent year-on-year to $131.2 billion in the July-September period. “Despite global uncertainties, the growth in exports could be as a result of increasing geographical diversification along with favourable prospects arising from recent trade agreements with major trading partners, supported by buoyant demand in partner countries,” said the bank.
(Business Standard)

Exports up about 15% in Apr-Jul despite global uncertainties: Piyush Goyal: The country's exports increased by about 15 per cent during April-July this fiscal year despite global uncertainties, Commerce and Industry Minister Piyush Goyal said on Wednesday. He also expressed confidence that the target of $1 trillion worth of goods

and services exports for 2026-27 will be achieved. It was $863 billion in 2025-26. "During the first four months of this fiscal, about 15 per cent growth is there in exports," he said. The final exports and import numbers for July will be released on August 13.
(Business Standard)

Jio Financial, Bank of America form JV; BofA to invest up to Rs 18,268 crore for 49.9% in Jio Credit: Jio Financial Services Ltd (JFSL) has agreed to sell up to a 49.9% stake in its unit Jio Credit Ltd to Bank of America for as much as Rs 18,268 crore, bringing the US lender in as a joint venture partner. The investment will be made via a preferential allotment of equity shares and warrants. Under the deal, BofA will initially get a 26.5 percent equity interest in Jio Credit, which can go up to 49.9 percent upon exercise of the warrants, JFSL said in a statement on August 12.
(Moneycontrol)

RBI proposes new loan pricing rules: Banks, NBFCs may face tighter interest rate norms: Under the proposed framework, banks and other regulated lenders will have to maintain a comprehensive, board-approved policy covering the pricing of loans and advances. The policy will have to specify the methodology for determining interest rates, internal benchmarks, components of spreads, loan categories and the delegation of powers for loan pricing. The policy will also have to be reviewed at least once a year. The RBI said it had observed divergent practices among banks in determining the marginal cost of funds-based lending rate (MCLR), an internal benchmark used for pricing certain loans. It also noted that existing regulatory instructions on fixed-rate loans were limited.
(Business Today)

Bombay HC asks Vijay Mallya, SBI to ‘move on’ as 2020 asset seizure plea loses relevance: The Bombay High Court on Wednesday (12 August) indicated that a long-running commercial dispute involving fugitive businessman Vijay Mallya and a consortium of banks led by the State Bank of India (SBI) should now be brought to a close, after Mallya's lawyer said a petition filed six years ago over the seizure of his assets had effectively become redundant. A division bench of the Bombay High Court made the observation on Wednesday while hearing Mallya's 2020 petition challenging an order that had permitted the SBI-led consortium to use assets confiscated by the Enforcement Directorate (ED) to recover outstanding dues linked to Kingfisher Airlines. ***(Mint)***

SBI uses AI to underwrite Rs 1 trillion of MSME loans in FY26: In FY26, SBI used AI-led underwriting to process nearly Rs 1 trillion of loans of up to Rs 5 crore each for new-to-bank and existing MSME customers, managing director Rama Mohan Rao Amara said at FIBAC 2026 on Wednesday. The bank combines GST data, bureau scores, account information and other unstructured data to assess borrowers. "Almost Rs 1 trillion we were able to underwrite," Amara said, adding that the technology has freed relationship managers from data gathering and analysis. He also highlighted the model had the capability to reduce the delinquency, he said. The bank is also using AI to identify vulnerable exposures before delinquencies emerge by ingesting sector-specific, market and other publicly available information to generate early warning signals.

(Financial Express)

NCLT Launches e-Inspection and e-Certified Copy Services: The Securities and Exchange Board of India (Sebi) is looking to streamline position limit and margin frameworks in commodity derivatives to reduce avoidable costs for market participants while retaining risk controls, chairman Tuhin Kanta Pandey said on Wednesday. The markets regulator will also continue discussions with the GST Council on issues affecting participants seeking to give or receive commodities through the exchange mechanism, the chairman added. "The next stage of India's commodity derivatives

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

market should be defined not by turnover alone, but by utility — how effectively these markets help the real economy discover prices and manage risk," Pandey said at the inaugural MCX Global Commodity Conclave.
(Business Standard)

CAG flags Rs.401 cr GST lapses in works contracts; revenue dept accepts: The Comptroller and Auditor General (CAG) has detected 1,334 cases of goods and services tax (GST) non-compliance in the works contract and construction sector involving Rs.401.42 crore. The Central Board of Indirect Taxes and Customs (CBIC) has accepted observations in 903 of these cases worth Rs.268.36 crore and recovered Rs.15.88 crore so far. The CAG in its report on the Department of Revenue (for the period ended March 2024), which was tabled in Parliament on Wednesday, has highlighted these findings.
(Business Standard)

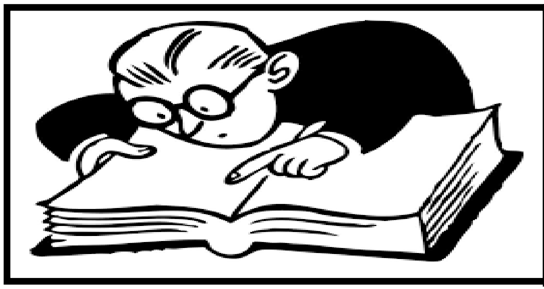
NITI's state-led emigration roadmap faces questions over law, execution: For decades, India has been among the world's largest sources of migrant labour, sending millions of workers overseas every year across construction, caregiving, healthcare, and information technology. With ageing populations and shrinking workforces driving demand for foreign labour in several developed economies, government think tank NITI Aayog has now proposed that states take on a bigger role in preparing and placing workers for overseas jobs — a shift that experts say is economically sound but legally and administratively untested. In 2024, the government issued Emigration Clearance (EC) to 387,067 prospective emigrants, down from 398,317 in 2023, according to a Rajya Sabha reply by the Ministry of External Affairs in December 2025. In 2024, Saudi Arabia and the United Arab Emirates had the highest number of workers to whom ECs were granted, followed by Kuwait and Oman, the data showed.
(Business Standard)

Finance Ministry weighs tiered MDR and subsidies phase-out for high-value UPI payments: The Finance Ministry has told a Parliamentary panel that two options related with merchant discount rates (MDR) are being considered to sustain the UPI (Unified Payment Interface) and reduce the burden on government exchequer. Meanwhile, the panel cautioned that delay in operationalising enabling statutory provision for levying MDR on high-value transaction might have serious repercussion.
(Business Line)

Govt likely to opt for global model over bilateral agreements for cross-border insolvency: The government is likely to opt for a global template to fast-track the implementation of cross-border insolvency regime rather than negotiate separate bilateral arrangements with individual countries, official sources told FE. The template – UNCITRAL Model Law on Cross-Border Insolvency (MLCBI) – is already used by major economies like the US, UK, Australia, and Singapore in framing their cross-border insolvency laws. The model law would make it easier to coordinate with foreign courts and give insolvency professionals a more predictable process for handling cases involving overseas assets and creditors.
(Financial Express)

The Government of India to launch the Central Bank Digital Currency (CBDC)-based Direct Benefit Transfer (DBT): The Government of India will launch the Central Bank Digital Currency (CBDC)-based Direct Benefit Transfer (DBT) under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) in the Union Territories of Chandigarh and Dadra & Nagar Haveli on 14 August 2026. Building on earlier pilot implementations in Puducherry and Gujarat, the rollout marks complete digital adoption and saturation of all eligible beneficiaries across the targeted Union Territories. Under the CBDC-based DBT model, eligible PMGKAY beneficiaries will receive food subsidy

directly into their CBDC wallets instead of conventional bank account transfers. The subsidy can then be used to purchase foodgrains from empanelled merchants through a secure, traceable and real-time digital payment mechanism.
(PiB)



FINANCIAL TERMINOLOGY

DEBT DEFLATION

- Debt deflation is an economic situation where falling prices increase the real burden of existing debt. As asset prices and incomes decline, borrowers may find it harder to repay loans, leading to reduced spending, investment and further economic contraction.
- For banks, prolonged debt deflation can result in higher defaults, deterioration in asset quality and increased NPAs.

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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 : 95.4261
INR / 1 GBP : 128.8780
INR / 1 EUR : 110.0708
INR /100 JPY: 59.8600

EQUITY MARKET

Sensex: 77966.35 (-187.90)
NIFTY: 24435.95 (-35.75)
Bnk NIFTY: 57885.85 (+439.60)

Courses conducted by BFSI Board

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- Certificate Course on Investment Management
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- Certificate Course on Cost Control Strategies in the Banking Sector
- Certificate Course on Treasury, Foreign Exchange and International Banking

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- Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).
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- 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

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