

## **DAILY NEWS DIGEST BY BESI BOARD**

19 May 2026



### **ECONOMY**

**To support farmers: After gold, India may now make cooking oil imports costlier:** India is considering a proposal to raise import duties on vegetable oils as the government looks to support local farmers and reduce pressure on the rupee, Bloomberg reported on Monday. According to the report, officials are examining whether higher import taxes on edible oils could help farmers secure better prices for their crops while also curbing foreign-exchange outflows linked to heavy commodity imports. The discussions come as the rupee remains Asia's worst-performing currency this year and as the government steps up efforts to reduce dependence on imported commodities such as vegetable oils, fertilisers, gold, and crude oil.

***(Business Today)***

**Indian markets capable of absorbing different types of shocks: SEBI chief on West Asia crisis:** Volatility has shot up in the financial markets due to the ongoing West Asia conflict, but the Indian bourses have the capacity to “absorb different types of shocks”, SEBI Chairman Tuhin Kanta Pandey said on Monday. When there is a crisis in one part of the world, it also impacts the rest of the globe, Pandey told reporters here on the sideline of the Regional Investors Seminar for Awareness. “Due to the prevailing conflict in West Asia, the oil supply chain and its prices got affected in the rest of the world. All the economies have been affected by this and obviously, there are inflationary risks. Besides, spillover effect and second-order effect will also come in,” he said.

***(Business Line)***

**Unemployment among young women rises to 18.7% in April:** The unemployment rate among women in the 15-29 age group rose to a 13-month high of 18.7% in April, indicating fewer job opportunities and skill-mismatch in the country, according to the Periodic Labour Force Survey data released by the Ministry of Statistics and Programme Implementation (MoSPI). Among young males, the unemployment rate stood at 14.1% in April. The data revealed a significant divergence between rural and urban areas. While the unemployment rate for young women in rural areas was recorded at 16.2%, it was 24.5% in urban areas. The unemployment rate among young males in rural and urban areas stood at 13.3% and 15.9% respectively. The overall youth unemployment rate under the current weekly status (CWS) reached a 10-month high of 15.3% in April, with the male unemployment rate at 14.1% and the women's rate at 18.7%.

*(Financial Express)*

## **BANKING & FINANCE**



**FinMin's latest austerity push: Banks and financial institutions asked to shift to EVs, virtual meet:** The Finance Ministry urged public sector banks and financial institutions to adopt austerity measures and shift to electric vehicles, according to PTI. The appeal came after Prime Minister Narendra Modi, on May 10, urged the nation to use fuel carefully and postpone gold purchases and foreign travel, among other measures, to strengthen the economy. These austerity measures came against the backdrop of the West Asia conflict, which has affected crucial supply chains, pushing crude oil prices above \$100. The Department of Financial Services, in a circular issued to public sector banks (PSBs), regional rural banks (RRBs), public sector insurance companies (PSICs) and financial institutions (PSFIs), urged them to reduce travel expenses and adopt electric vehicles (EVs). All meetings, reviews and consultations should be conducted through video conferencing unless physical meetings are specifically required, it said.

*(Financial Express)*

**PSU banks step up hiring in cyber security, tech to tackle emerging risks:** As banks increasingly deploy artificial intelligence(AI) to enhance efficiencies, improve customer service and also combat cyber risks, they are strengthening their IT systems and hiring requisite talent. State Bank of India Chairman C S Setty said recently the bank had made large-scale IT recruitments last year and would look to fill more posts. He added some mid-level specialised positions, particularly in the cybersecurity space, would be filled this year. Banks' increased focus on cybersecurity follows Finance Minister Nirmala Sitharaman's flagging of risks tied to Anthropic's Claude AI model in a meeting with banks last month. The ministry also urged banks to adopt proactive measures against emerging risks from AI to safeguard their systems, data, and customers' money.

*(Financial Express)*

**Prudential buys 75% stake in Bharti Life:** UK-based insurance giant Prudential will pick up a 75% stake in Bharti Life Insurance, marking the first major foreign investment in the life insurance sector after the government raised the FDI limit to 100% from 74%. The transaction, to be funded through existing resources, involves an initial cash consideration of Rs.3,500 crore, and implies a valuation of around Rs.4,670 crore. The deal also involves a potential contingent consideration of up to Rs.700 crore linked to the fulfilment of certain conditions. Including the contingent payout, Bharti Life Insurance could be valued at a higher Rs.5,600 crore.

*(Financial Express)*

**Credit card profit pool shrinks as revolvers evolve:** "The decline in the level of revolvers has impacted profitability," ICICI Bank group CFO Anindya Banerjee said, adding that the business remained profitable and retained multiple levers-including cost management and rewards optimisation-to sustain returns. "It is a business one would continue to have a very strong focus on."

*(Economic Times)*

**UPI processes 85% of India's payment volumes but just 9.5% of value; RTGS dominates at 68.6%:** UPI processed 85.5% of all payment transactions in India by volume in the second half of CY 2025 but accounted for just 9.5% of the total value — while RTGS, handling a mere 0.1% of volumes, dominated with 68.6% of total

transaction value, according to the Reserve Bank of India's Payments System Report for December 2025.

*(Economic Times)*

**SBI employees' federation stages dharna in Kolkata, plans nationwide strike on May 25-26:** State Bank of India Staff Federation protested in Kolkata demanding recruitment and an end to mis-selling insurance. Employees will strike nationwide on May 25 and 26. The federation alleges issues with resolving employee concerns and agreements. Previous protests included badge-wearing and demonstrations. Future actions involve candle marches and the planned strike.

*(Economic Times)*

## INDUSTRY OUTLOOK



**US Justice Department drops all charges against Adani, case closed permanently:** The U.S. Department of Justice has permanently dropped all criminal charges against Indian tycoon Gautam Adani and his nephew Sagar, bringing high-profile securities and wire fraud case in New York to a complete close after prosecutors concluded they could not sustain the allegations. With this, multiple US regulatory and legal investigations involving the group have all closed in the last couple of days. Last week, the US Securities and Exchange Commission settled civil allegations against the two men tied to disclosures made to investors in connection with solar energy projects in India. Court filings showed Gautam Adani agreed to pay USD 6 million and Sagar Adani USD 12 million, without admitting or denying wrongdoing.

*(Business Standard)*

**FCI to raise Rs 50,000 cr to address cash flow mismatch:** To meet cash flow mismatches and provide temporary working capital, the Food Corporation of India (FCI) will raise short-term loans of Rs 50,000 crore from scheduled banks for a three-month tenure, with a green shoe option to mop up an additional Rs 25,000 crore.

According to a tender floated by the FCI, these loans will be unsecured, and offers will remain valid up to August 31, with loan disbursements made in tranches according to FCI's operational requirements. "The rising cost of holding hugely surplus foodgrains continues to boost food subsidy expenditure while short-term loans are used to bridge the gap between the periodic allocation under food subsidy and rising costs," an official told FE.

***(Financial Express)***

**India Targets \$1 Trillion Exports This Year, \$2 Trillion in Five Years:** Union Minister of Commerce and Industry Shri Piyush Goyal today said that India has set a target of achieving exports worth 1 trillion dollars this year and 2 trillion dollars over the next five years, asserting that this would be the true hallmark of an Atmanirbhar Bharat. Addressing the website launch ceremony of Bharatiya Vyapar Mahotsav in New Delhi, he said exports this year have reached 863 billion dollars, nearly 5 per cent higher than the previous year, despite global challenges. He said both goods and services exports have increased, calling it a significant achievement in the present global environment. Shri Goyal said this is not merely the government's target but the nation's target, and the Central Government stands ready to provide whatever support is needed to achieve it. He said that over the last three-and-a-half years, efforts have been made towards Free Trade Agreements with nearly 38 developed countries, which will provide preferential access to large markets where Indian goods can be sold at lower import duties compared to competitors. He said these agreements will gradually come into effect, adding that the Oman FTA may come into force from 1 June, while other finalised FTAs awaiting paperwork will also become operational subsequently.

***(PiB)***



## REGULATION & DEVELOPMENT

**Shri Saurabh Vijay assumes charge as Chief Executive Officer of UIDAI:** Shri Saurabh Vijay assumed charge as the Chief Executive Officer of Unique Identification Authority of India (UIDAI) on Monday. He is an IAS officer of the 1998 batch of the Maharashtra cadre. He was Principal Secretary (Expenditure) in the Finance Department, Government of Maharashtra, prior to joining UIDAI.

**(PiB)**

**RBI withdraws IFR requirement for banks maintaining market risk capital:** The Reserve Bank of India (RBI) on Monday removed the investment fluctuation reserve (IFR) requirement for banks maintaining capital charge for market risk under the revised investment portfolio framework, while allowing existing IFR balances to be recognised as Common Equity Tier 1 capital after transfer to reserve or profit accounts. For regulated entities that will continue under the IFR framework — including urban co-operative banks (UCBs), small finance banks (SFBs), payments banks, and regional rural banks (RRBs) — the central bank said the minimum IFR requirement will now be assessed only on balance sheet dates instead of on a continuous basis. The RBI issued the final amendment directions after examining stakeholder feedback on the draft norms released on April 8. The draft directions had proposed removing IFR requirements for bank categories maintaining capital charge for market risk and following revised norms on the classification, valuation, and operation of investment portfolios.

**(Business Standard)**

**Stablecoins fail core tests of money; CBDC not risky: Reserve Bank of India:** The Reserve Bank of India (RBI) has said stablecoins fail the core tests of money — “singleness, elasticity and integrity” of payments — while reiterating that such virtual digital assets pose jurisdictional and financial stability risks. The banking regulator said that Central Bank Digital Currency (CBDC) instead offers similar efficiencies without the risks that are associated with stablecoins. “The traditional monetary system,

globally, rests on a two-tier banking system, wherein the central bank money-based settlement forms the edifice, while commercial banks can issue money which is beyond their reserves held, as the central bank can always provide liquidity for settlement, preventing a gridlock scenario,” the RBI said in its Payments Systems Report.

**(Business Standard)**



## FINANCIAL TERMINOLOGY

### **W-SHAPED ECONOMY RECOVERY**

- A W-shaped economic recovery, also known as a "double-dip recession," occurs when an economy experiences a sharp recession, a brief period of growth, a second sharp decline, and finally a sustained recovery. When charted on a graph, these economic indicators form the letter "W".
- A W-shaped cycle is notoriously painful for markets and citizens. Because it represents an extended period of extreme volatility, the fake-out recovery can cause investors to jump back into the market too early and suffer heavy losses. Additionally, going through essentially two recessions can utterly shatter both business and consumer confidence.
- A notable example to this is; The U.S. economy experienced a brief recession in 1980, followed by a fleeting, year-long recovery period, before dropping into a much harsher and prolonged recession in 1981–1982.



### **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 : 96.2948  
INR / 1 GBP : 128.5439  
INR / 1 EUR : 112.0416  
INR /100 JPY: 60.6100

### **EQUITY MARKET**

Sensex: 75315.04 (+77.05)  
NIFTY: 23649.95 (+6.45)  
Bnk NIFTY: 53537.00 (-173.35)

### **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

**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 2<sup>nd</sup> 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)**

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