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

20 August 2026

Global bond yields retreat after US Treasury expands debt buybacks: Long-term bond yields declined after the US Treasury announced an increase in debt-buyback operations to improve market liquidity. The development weakened the dollar and supported gold and risk assets, although concerns regarding sovereign debt and inflation remain.
(Reuters)

RBI's foreign-exchange swap facility attracts more than $50 billion: RBI decided to close its concessional swap facility for FCNR(B) deposits on August 31, one month earlier than initially planned, after inflows crossed $50 billion. The facility was introduced to strengthen foreign-exchange inflows and improve the balance-of-payments position. Banks have mobilised around $52.3 billion through FCNR(B) deposits, in addition to overseas borrowing under other permitted windows. Facilities relating to external commercial borrowings and overseas borrowings by authorised lenders are expected to remain available until December.
(Reuters)

Rupee remains under pressure near Rs.96 per US dollar: The rupee closed at around Rs.95.75 per dollar, its weakest level in approximately three weeks. Elevated crude-oil prices, corporate dollar demand and risk aversion arising from geopolitical tensions weighed on the currency. State-owned banks were reportedly seen selling dollars, which traders interpreted as intervention on behalf of RBI. The intervention helped prevent disorderly depreciation as the currency approached the psychologically important Rs.96-per-dollar level.
(Reuters)

India's first-quarter GDP growth estimated at around 7.3%: An economists' poll estimates that India's economy expanded by approximately 7.3% during the first quarter of FY2026-27. Resilient private consumption, exports and government capital expenditure are believed to have supported economic activity. The performance suggests that domestic demand helped offset supply-chain disruptions and higher commodity prices arising from geopolitical tensions. Growth may moderate during the remaining quarters as base effects weaken and higher oil prices affect household and corporate spending.

(Economic Times)

RBI Monetary Policy Committee signals possibility of rate increases: The minutes of the August MPC meeting indicate that members are increasingly concerned about inflationary pressures arising from elevated crude-oil prices and supply disruptions. While the repo rate was retained at 5.25%, policymakers suggested that monetary tightening may become necessary if inflation becomes broad-based.

(Reuters)

Indian banks raise over $3 billion through dollar bonds in ten days: Indian banks have accelerated overseas fundraising ahead of the closure of RBI's concessional foreign-exchange swap window. Banks and public-sector undertakings may mobilise nearly $20 billion through foreign-currency bonds and loans, subject to market conditions and funding requirements.

(Business Standard)

Yes Bank expects strategic benefits from SMBC investment: Sumitomo Mitsui Banking Corporation's 24.9% investment in Yes Bank is expected to strengthen the lender's institutional positioning. Yes Bank anticipates benefits in corporate banking, international business, governance, risk management and cross-border financing. The strategic relationship could help Yes Bank access Japanese and multinational

corporate clients operating in India. It may also improve the bank's capabilities in transaction banking, supply-chain finance and structured corporate lending.
(Business Standard)

SBI to charge Rs 15 for cash withdrawals beyond four from 1 October: State Bank of India (SBI) will revise charges for cash withdrawals from Basic Savings Bank Deposit (BSBD) Accounts operated through the branch channel from October 1, 2026. Under the revised schedule, customers will continue to get four cash withdrawals free each month. For every withdrawal beyond the first four, SBI will levy a charge of Rs.15 per transaction, plus applicable GST. The revised charges apply to the Basic Savings Deposit Account (Branch Channel), Product Code 1011-1701, and will come into effect from October 1, 2026.
(Moneycontrol)

Indian Bank raises $400 million with four-year tenure: State-owned Indian Bank on Wednesday raised $400 million through its GIFT City branch, joining a growing list of public and private sector lenders tapping overseas markets for funds. "Our GIFT City Branch has raised long-term USD funds amounting to USD 400 million," the bank said in an exchange filing. The loan has a tenor of four years. Banks have been accelerating their dollar bond and overseas fundraising plans after the Reserve Bank of India advanced the closure of its concessional swap window for foreign currency non-resident bank (FCNR-B) deposits.
(Financial Express)

Sabse bada rupaiya: India prints 3x more notes than the US, 6x more than Europe: India's rupee banknotes in circulation significantly outnumber US dollar and Euro notes. The Reserve Bank of India reports 176 billion rupee notes are currently in use. This volume is driven by a preference for lower-denomination notes and a Clean Note Policy. Physical currency circulation expands at double-digit rates annually, despite digital payment growth. This expansion presents forecasting challenges for the central bank's production planning.
(Economic Times)

SEBI bars JP Morgan entity, Mansi Share over alleged CAS manipulation, slaps Rs 3.68 crore impounding order: Market regulator Securities and Exchange Board of India (SEBI) has barred two entities from the securities markets and ordered the impounding of Rs 3.68 crore in alleged wrongful gains after an ex-parte interim order found prima facie evidence of manipulation of the Sensex during the Closing Auction Session (CAS) on the index's expiry day on August 13, 2026. SEBI's surveillance systems flagged three sharp movements in the Sensex's Indicative Equilibrium Price (IEP) during the 3:20 pm to 3:30 pm CAS window. These included movements of 362.02 points, 132.67 points and 405.08 points, occurring over periods ranging from two seconds to 28 seconds. The Sensex eventually closed at 78,080, around 240 points higher than the level SEBI calculated it should have reached based on the comparable movement in the Nifty.

(Moneycontrol)

India targets $100 billion gems and jewellery exports by 2040, bets on design and global brands: India is targeting $100 billion in gems and jewellery exports by 2040, more than three times the $27.72 billion recorded in 2025-26, as the government pushes the industry towards higher-value design, technology and globally recognised brands. The target was outlined at the Chintan Shivir on the 2040 Roadmap for Gems & Jewellery, organised by the Department of Commerce in association with the Gem & Jewellery Export Promotion Council (GJEPC) on August 19. The roadmap focuses on global market access, scaling up MSMEs, faster export-import processes, branding and next-generation talent and design.

(Moneycontrol)

Indian startup Murf AI aims to compete with OpenAI in crowded voice arena: Murf AI's text-to-speech Falcon 2, publicly available from Aug. 20, ranked higher than some platforms from better-funded players such as OpenAI's Realtime API in benchmarks on

Artificial Analysis, the independent platform that tracks AI performance. Like other voice foundation models, it aims to provide big savings for users like call centers, banks and airlines, which hope to employ the technology to handle large volumes of customer communications. Falcon 2 is priced at $0.01 per generated minute - a fifth of the price of larger competitors such as ElevenLabs - making it attractive for conversational AI and real-time voice agents.

(Business Standard)

SEBI considering overhaul of SME-market framework: SEBI is reportedly preparing changes to the regulatory framework governing the SME segment of stock exchanges. The regulator may introduce stronger due-diligence obligations, tighter disclosure standards and greater accountability for issuers, merchant bankers and other intermediaries. The proposed reforms are aimed at protecting retail investors from price manipulation, misleading disclosures and poor-quality public issues. SEBI is also considering clearer responsibility standards for regulated entities using artificial intelligence and machine-learning tools.

(Business Standard)

BSE partners with MSCI to explore launch of index derivatives in India: Stock exchange BSE on Wednesday announced that it has entered into an agreement with global index provider MSCI to launch derivative contracts on its indices in India. “BSE will explore the launch of futures and options contracts in India linked to these indexes, subject to regulatory approvals. This strategic step anchors BSE’s role to further developing the Indian capital market,” the exchange stated in a release. MSCI indexes are among the most widely tracked benchmarks, linked to over $21 trillion in assets under management as of December 31, 2025.

(Business Standard)

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India replaces Indonesia as Asia's least-preferred stock market: BofA poll: India has replaced Indonesia as Asia's least-preferred stock market in a survey of fund managers by Bank of America Corp., signaling growing caution toward a market that's among the world's worst performers this year. The lack of a clear AI exposure remains the key concern for Indian equities, with weak growth emerging as the next most important risk, according to the survey, which showed 32 per cent of the respondents were net underweight on the nation. Lack of reforms and high valuations also emerged as reasons for the bearish outlook on Asia's fourth-largest equity market.
(Business Standard)

FINANCIAL TERMINOLOGY

ORGANISATIONAL AMBIDEXTERITY

- Organisational ambidexterity is the capacity to exploit the existing business efficiently while simultaneously exploring new opportunities. "Exploitation" focuses on productivity, standardisation and profitability, whereas "exploration" involves innovation, experimentation and new business models.
- Excessive exploitation can make an organisation obsolete, while excessive exploration may increase costs without producing sustainable returns.
- Example: A public-sector bank may improve the productivity and profitability of its branch network while separately developing digital lending, AI-based fraud detection and open-banking solutions. Both initiatives must eventually be integrated into a coherent customer strategy.

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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 : 95.7477
INR / 1 GBP : 129.7704
INR / 1 EUR : 111.0319
INR /100 JPY: 60.1500

EQUITY MARKET

Sensex: 76909.68 (-325.78)
NIFTY: 24078.30 (-76.60)
Bnk NIFTY: 57239.75 (-22.65)

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 2nd 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

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