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)

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DAILY NEWS DIGEST BY BFSI BOARD

22 August 2026

1.1 billion barrels gone: IMF warns that global oil market is running out of safety cushions: The global oil market faced a disruption that could have sent crude prices soaring. The effective closure of the Strait of Hormuz cut off around 20 million barrels a day of crude and refined products — roughly one-fifth of global consumption. Yet after an initial spike, oil prices settled around $90-$100 a barrel. The reason, according to an International Monetary Fund (IMF) analysis published on July 15, 2026, is that the global energy system had several shock absorbers. But those buffers have now been significantly depleted.
(Business Today)

India composite PMI rises to 54.6 in August from July's 52-month low: HSBC: India's private sector activity expanded at a slightly faster pace in August, with the HSBC Flash India Composite PMI (Purchasing Managers' Index) Output index rising to 54.6 from 54.3 in July, which was a 52-month low, according to the HSBC Flash India PMI report. The latest reading showed a faster expansion in overall private sector activity. However, it remained the second-weakest since March 2022, indicating that growth continued to be relatively subdued. HSBC said, "India PMI Composite Output Index.... rose to 54.6 in August from July's 52-month low of 54.3".
(Business Line)

India rules out sugar import from Pakistan despite duty-free window: India will not allow sugar imports from Pakistan despite its decision to permit duty-free imports of raw sugar to augment domestic supplies, with the government signalling that the existing trade restrictions with Islamabad will continue to apply. "India's position and policy related to Pakistan is well known," External Affairs Ministry spokesperson Randhir Jaiswal said at a media briefing on Friday, responding to a question on reports that Pakistani sugar producers were keen to supply the Indian market.

(Business Line)

India to give Canada's Fairfax two years to consolidate holdings for IDBI Bank deal: Canada's Fairfax Financial, a frontrunner to acquire the government's stake in IDBI Bank, is set to be allowed up to two years to consolidate its India bank holdings to smooth the acquisition, two sources familiar with the matter said. A long-delayed sale of a majority stake in IDBI Bank, held by the federal government and state insurer Life Insurance Corp of India, is in its final stages. The transaction, valued at more than $5 billion, would be the largest foreign investment in an Indian bank. It is also important for the government at a time when the Middle East war has strained finances and weaker foreign inflows have pressured the rupee.

(Economic Times)

Punjab National Bank inks pact with Indian Army to offer curated credit cards to army personne: Punjab National Bank on Friday said it has entered into an exclusive memorandum of understanding with the Indian Army to offer two credit cards with curated benefits for serving Army personnel. Under the partnership, PNB will offer the PNB LUXURA Metal Credit Card for Army officers and the PNB Parakram Credit Card for Junior Commissioned Officers (JCOs) and other ranks personnel. The cards will offer a range of lifestyle and financial benefits, including 3 per cent cashback on purchases at Canteen Stores Department (CSD) outlets, complimentary domestic and international airport lounge access, zero forex markup, and Buy One Get One movie ticket offers.

(Economic Times)

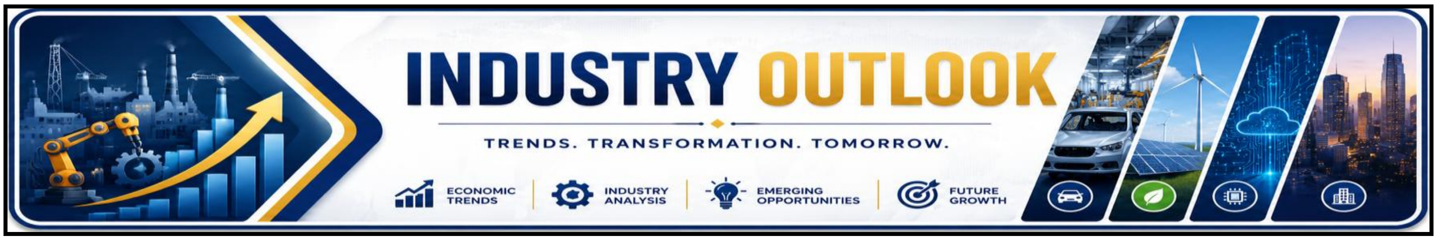
Ebix and NSDL Payments Bank cross one crore registrations Under MSRTC NCMC Programmes: As digital payments and transit systems become increasingly integrated, the adoption of interoperable, contactless payment instruments is gaining momentum across India. The RuPay National Common Mobility Card (NCMC) ecosystem, in particular, is enabling users to access multiple mobility and payment services through a single smartcard. Against this backdrop, Ebix and its distribution arm Ebix Payment Services, along with NDSL payment banks*, have registered more than a crore NCMC RuPay smartcards in five months, a pace of roughly 66,000 cards a day, or about 46 every minute, sustained without a break. The run ranks among the fastest issuance runs recorded by a financial institution on the RuPay network in India.
(Economic Times)

RBI swap window boosts deposits, but may trim bank NIMs by 3-15 bps: Although the Reserve Bank of India (RBI) has announced it will prematurely close the concessional swap window for FCNR(B) deposits by a month, with the facility now ending on August 31, 2026, Indian banks have mobilised substantial flows so far and are expected to mobilise over $60 billion by the end of the month. While this has boosted deposit growth and is likely to soften deposit rates going ahead, it will also be margin-dilutive for banks, with net interest margins (NIMs) likely to be diluted by 3-15 basis points (bps). One basis point is a hundredth of a percentage point.
(Business Standard)

DFS Concludes Two-Day Workshop on Enhancing Accessibility of Financial Services for Divyangjans: The Department of Financial Services (DFS), Ministry of Finance, Government of India, convened a two-day workshop on 20–21 August 2026, in association with Union Bank of India at its Staff College in Bengaluru. On Day 2, the discussions focused on measures to enhance the accessibility of financial services for Divyangjans (Persons with Disabilities) in Public Sector Banks (PSBs), Public Sector Insurance Companies (PSICs), Sectoral Regulators, and Public Financial Institutions (PFIs).
(PiB)

HDFC, PNB lead banks lining up for the next wave of dollar bonds: Indian banks are flooding the overseas market with dollar bond issuances, with lenders such as ICICI Bank, Punjab National Bank (PNB), and Union Bank of India planning to tap the market to take advantage of the Reserve Bank of India's (RBI's) concessional swap window. HDFC Bank — the country's largest private-sector lender — on Thursday raised $1.75 billion through twin dollar bonds with three-year and five-year maturities, marking one of the largest dollar bond raises by an Indian bank since the global financial crisis (GFC). On Friday, ICICI Bank's board raised its overseas borrowing mandate to $5 billion from $2.5 billion earlier.

(Business Standard)



Govt notifies Rs 62,500-crore mobile manufacturing scheme, offers extra incentives for local sourcing: The government on August 21 notified the Rs 62,500-crore Mobile Phone Manufacturing Scheme (MPMS), bringing into effect a five-year incentive programme aimed at expanding handset production while pushing manufacturers to source more components and sub-assemblies locally. The scheme will operate from the current financial year, with effect from April 1, 2026, Ministry of Electronics and Information Technology Secretary S Krishnan said. It will run through FY31. Under the scheme, manufacturers will receive incentives ranging from 2.25 percent to 5 percent on eligible sales of mobile phones made in India. Companies can earn an additional incentive of up to 1.5 percent for sourcing specified components and sub-assemblies domestically.

(Moneycontrol)

Govt eyes up to 45% domestic value addition in medical devices under next PLI: India's domestic medical device manufacturing grew 43%, but DCGI and Department of Pharmaceuticals cite weak innovation and push for higher domestic value addition. Though the government is looking at deepening the domestic value addition through incentives. Department of Pharmaceuticals (DoP) secretary Manoj Joshi stated that the future production linked incentive (PLI) scheme for medical devices could favour component manufacturers over simple assembly operations. For companies entering second-round benefits with low initial local value addition, the government wants to push them toward 40-45% domestic value addition. "We would like to incentivise component makers in large way," Joshi said.

(Financial Express)

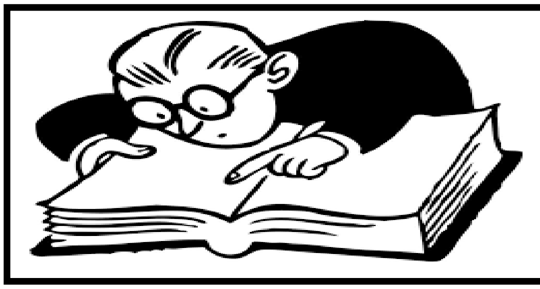
Gold loans' share of system credit could reach 10% in 5 years: JP Morgan: Gold loans' share of system credit could rise to around 10 per cent over the next five years, from 2 per cent in FY24 and 5 per cent in FY26, as a multi-year cultural shift turns gold from a family heirloom into a monetisable asset, JP Morgan said in a report. The shift is driving borrowers towards gold loans and away from unsecured and small business loans, aided by rising financial literacy among borrowers and lenders' lower risk appetite. Borrowers benefit from a 300-600 basis point rate arbitrage, while lenders get a low-risk secured asset. Despite the recent surge, gold loan penetration remains low, with only around 11 per cent of the gold held by the bottom 60 per cent of households currently being used as collateral.

(Business Standard)

SEBI plans mutual fund-style distributor network for bonds, proposes tighter rules for 'fixed returns' ads: Market regulator Securities and Exchange Board of India (SEBI) has proposed tighter advertising rules for online bond platforms and a new distributor network to expand retail participation in corporate bonds beyond major cities. In two consultation papers issued on Friday, SEBI proposed replacing the existing Online Bond Platform Provider (OBPP) advertisement code with stricter guidelines and introducing Fixed Income Channel Partners (FICPs), an intermediary category modelled on the lines of mutual fund distributors. Public comments on both proposals are invited until September 11. The proposals come as India's corporate bond market has expanded rapidly. Outstanding corporate bonds have increased from around Rs 17.5 trillion at the end of FY15 to more than Rs 60 trillion as of July 31,

2026. Debt issuances during FY26 stood at Rs 9.1 trillion, nearly twice the amount raised through equity.
(Moneycontrol)

India and ADB sign $230 million loan to modernise water supply and sanitation in Chennai: The Government of India and the Asian Development Bank (ADB) today signed a $230 million loan to modernise and expand Chennai's water supply and sanitation infrastructure. The Chennai Climate-Resilient Water Security and Sewerage Project will improve access to safe and reliable water supply and better sanitation services across Chennai. It will also help strengthen the city's resilience to climate change, improve public health and quality of life, and support a more efficient and financially sustainable urban water system.
(PiB)



FINANCIAL TERMINOLOGY

INDEX OF INDUSTRIAL PRODUCTION (IIP)

- The Index of Industrial Production (IIP) is a composite indicator that measures the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period. In India, the first official attempt to compute the IIP was made much earlier than the first recommendation on the subject came at the international level. With the inception of the Central Statistical Organization (now known as National Statistics Office (NSO)) in 1951, the responsibility for compilation and publication of IIP was vested with it.
- In India, the eight core industries account for 40.27 per cent of the weighting of items included in the IIP. The 8 core industries includes; Electricity, Steel, Refinery products, Crude oil, Coal, Cement, Natural gas and Fertilizers.
- The Index is used by government agencies and departments such as the Finance Ministry and the RBI for policymaking.

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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 : 95.7467
INR / 1 GBP : 130.6588
INR / 1 EUR : 111.9700
INR /100 JPY: 60.2400

EQUITY MARKET

Sensex: 77540.83 (+3.11)
NIFTY: 24252.00 (+20.15)
Bnk NIFTY: 57761.95 (+266.05)

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

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- Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).
- Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).
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- BFSI Chronicle (quarterly issue of BFSIB)
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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)