

DAILY NEWS DIGEST BY BFSI BOARD

23 May 2026



ECONOMY

Arvind Panagariya says RBI should let rupee slide, but economists bat for cautious approach: Arvind Panagariya, Chairman of the Sixteenth Finance Commission on May 22 said on X that RBI should allow the rupee to depreciate if necessary and not treat the Rs 100-per-dollar mark as a trigger for policy intervention. However, economists say calibrated response, such as repeating the measures taken in 2013, is needed to arrest the depreciation of the rupee – that has been touching record lows in recent weeks. Economists say the 2013 steps taken by RBI—including a swap window to sharply raise deposits in dollars from NRIs, and providing a window for oil marketing companies to borrow dollars directly from RBI -- may be considered again, but in a "measured way" to ensure the depreciation happens in a gradual manner.

(Moneycontrol)

China-India led AIIB launches \$10-billion facility for countries hit by West Asia crisis: The Asian Infrastructure Investment Bank (AIIB) recently launched a \$10-billion financing facility to support its 111 member countries and clients affected by the economic fallout of the West Asia conflict. Notably AIIB's latest move comes at a time when India and other energy-importing economies are trying to diversify sourcing of key energy products like oil, gas, LPG away from Hormuz due to the ongoing war. The Beijing-headquartered multilateral lender said that financial support of \$10-billion will be provided via its Energy, Food Security and Economic Resilience Facility over 24 months to countries facing pressure on the fronts of energy security, food security and maintaining economic resilience.

(Financial Express)

RBI net-sold record \$53.13 billion in FY26, shows monthly bulletin: RBI sold a net \$53.13 billion in the spot foreign exchange market in 2025-26 (FY26), the highest net dollar sale by the central bank in a financial year, its latest data showed. During 2024-25, the central bank sold a net \$34.51 billion. According to the RBI's monthly bulletin, it sold \$9.76 billion (net) in March, the third-highest net monthly dollar sale in FY26, against a net buy of \$7.41 billion in February. The central bank bought \$19.89 billion while it sold \$29.64 billion during the month. Data showed the RBI remained a net seller of dollars for most of FY26, with the largest monthly net sale recorded in October at \$11.88 billion, followed by December at \$10.02 billion.

(Economic Times)

BANKING & FINANCE



RBI approves record dividend of Rs 2.87 lakh crore to Centre for FY26: The Reserve Bank of India on May 22 approved a record dividend of Rs 2.87 lakh crore to Centre for FY26, which would provide the Centre with a fiscal cushion to address challenges arising from the ongoing Middle East crisis. The Central Board approved the transfer of surplus of Rs 2,86,588.46 crore to the Central Government for the accounting year 2025-26," said RBI in a statement. The Balance Sheet of the Bank expanded by 20.61% to Rs 91,97,121.08 crore as on March 31, 2026," added RBI. The RBI lowered its contingency risk buffer - funds kept aside to protect the central bank's finances from volatility - to 6.5% of its balance sheet from 7.5% in the previous year.

(Moneycontrol)

Raise MSME digital loan limits: Centre: Encouraged by digital-footprint-based lending by public sector banks (PSBs) crossing Rs 1 lakh crore in 2025-26, the government is nudging banks to increase ticket sizes for such loans to accelerate credit flow to micro, small and medium enterprises (MSMEs) in FY27. Ticket sizes under the digital-footprint-based lending model vary across banks, ranging from as

high as Rs 5 crore at the State Bank of India (SBI) to Rs 10 crore at Punjab National Bank (PNB) and around Rs 25 lakh at smaller PSBs.

(Financial Express)

PSBs told to draw up plan to boost rural and informal sector lending:

Government directs state-run banks to identify successful initiatives for wider adoption. The focus will be on lending to unorganised sectors, marginalised groups, and rural populations. This strategy aims to prevent credit crunches for small borrowers and MSMEs. Discussions will also cover IT updates, loan digitalisation, and risk management. The government seeks to boost credit availability for eligible businesses. The government has asked state-run banks to submit a list of successful "Lighthouse Initiatives" that can be adopted across the system as part of their FY27-29 board-level strategy, and to focus on lending to unorganised sectors, marginalised groups and rural population.

(Economic Times)

RBI approves ICICI Bank CEO Sandeep Bakhshi's reappointment till 2028: Indian private lender ICICI Bank has received approval from India's central bank to reappoint Sandeep Bakhshi as its chief executive for a further period of two years, with effect from October 4, the bank said in a statement on Friday. Bakhshi would remain ICICI's CEO until October 3, 2028, the bank said. In January, the bank's board approved Bakhshi's reappointment, subject to approval from the Reserve Bank of India.

(Economic Times)

SBI staff's 2-day nationwide strike deferred: The proposed nationwide strike by SBI staff on May 25-26 has been deferred following "positive discussions" between the bank management and representatives of employees' unions in Mumbai on Friday, officials said. "The meeting with the management was positive and there has been progress on several demands raised by the federation. In view of the developments, the proposed strike has been deferred," SBI Staff Association, Bengal Circle secretary, Sudip Dutta told PTI.

(Economic Times)

Central Bank of India OFS fully subscribed; Qatar Holding sells 0.4% stake: The Rs 2,250 crore share sale by the government in Central Bank of India saw bids exceed the shares on offer. According to stock exchange data, the offer for sale (OFS) received bids for nearly 77 million shares from institutional investors against 72.4 million shares on offer. Another 7.2 million shares reserved for retail investors will be auctioned on Monday. The floor price for the OFS was Rs 31. Shares of Central Bank fell nearly 8 per cent in secondary market trading to end at Rs 31.23. Prior to the sale, the government held an 89.27 per cent stake in the lender. This will now fall to 81.27 per cent.

(Business Standard)

INDUSTRY OUTLOOK



Singapore, US, UK lead in foreign cos entering India: Foreign companies are increasingly setting up shop in India. Singapore, the US, the UK, South Korea, and Germany are leading this trend. Registrations reached a nine-year peak in the last fiscal year. This surge highlights growing international business interest in the Indian market. New companies from South Africa, Ghana, and Uzbekistan also entered India for the first time.

(Economic Times)

Outward remittances slipped 2% to \$28.98 billion in FY26: RBI data: India's outward remittances under the Liberalised Remittance Scheme (LRS) slipped nearly 2 per cent year-on-year (Y-o-Y) to \$28.98 billion in 2025-26 (FY26), amid broader global uncertainty affecting travel and muted overseas education spends. In FY25, remittances stood at \$29.56 billion, according to Reserve Bank of India (RBI) data. In FY26, the international travel segment slipped 2.3 per cent Y-o-Y to \$16.87 billion compared to \$16.44 billion in the year-ago period. Similarly, funds remitted for maintenance of close relatives and overseas education dropped 4.92 per cent Y-o-Y to \$3.53 billion and almost 20.9 per cent Y-o-Y to \$2.31 billion, respectively.

(Business Standard)

Sebi bars 7 from markets for 'fraud' trades, directs Rs.20 cr disgorgement: Sebi on Friday debarred seven individuals from the securities market for alleged fraudulent trading in 82 scrips through stock recommendations given on social media platforms. The regulator has also directed to impound Rs.20.25 crore of the wrongful gains.

(Business Standard)



REGULATION & DEVELOPMENT

Under Rozgar Mela, PM to distribute more than 51,000 appointment letters to the newly appointed youth in Government on 23rd May: Prime Minister Shri Narendra Modi will distribute more than 51,000 appointment letters to newly appointed youth in various Government departments and organisations at the 19th Rozgar Mela on 23rd May 2026 at 11 AM via video conferencing. He will also address the gathering on the occasion. In keeping with the Prime Minister's commitment to prioritising employment generation, the Rozgar Mela is a major initiative aimed at translating this vision into reality. Since its inception, around 12 lakh recruitment letters have been issued through 18 Rozgar Melas organised across the country. The 19th Rozgar Mela will be held at 47 locations across the country.

(PiB)

'Khet Bachao Abhiyan' reaches 2.712 Crore Citizens; 7.17 Lakh Farmers Sensitised on Balanced Use of Fertiliser: Indian Council of Agricultural Research under Department of Agriculture Research and Education has recorded significant achievements under its nationwide 'Khet Bachao Abhiyan', which focuses on soil health, balanced fertiliser use, and sustainable agriculture. The 'Khet Bachao Abhiyan' campaign has established a robust outreach across the country through multiple platforms to educate farmers and stakeholders on scientific nutrient management. Under the Abhiyan, a total of 12,979 awareness camps and seminars have been conducted so far, directly engaging 7.17 lakh farmers. To build capacity, 3,145 training programmes were organised in which 1,11,509 participants took part. Practical

knowledge was imparted through 7,928 field demonstrations on green manuring, bio-fertilisers, and organic sources.

(PiB)



LIGHT HOUSE INITIATIVE

- The "Lighthouse Initiative" (LHI) primarily refers to several distinct national and global development programs. In India, it is a prominent Public-Private Partnership targeting either rural sanitation or youth employment.
- Depending on the context, the phrase most commonly refers to the following major programs:
- Global Lighthouse Network (World Economic Forum): Recognizes manufacturing plants and industries that successfully integrate Fourth Industrial Revolution (4IR) technologies to transform operations, boost sustainability, and scale digital innovation.
- India Sanitation & Housing, Renewable Energy & Climate Initiatives and many others.



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 : 95.9588
INR / 1 GBP : 128.7901
INR / 1 EUR : 111.3903
INR /100 JPY: 60.3100

EQUITY MARKET

Sensex: 75415.35 (+231.99)
NIFTY: 23719.30 (+64.60)
Bnk NIFTY: 54055.35 (+615.95)

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

TEAM BFSIB

Banking, Financial Services & Insurance Board The Institute of Cost Accountants of India (ICMAI)

Disclaimer: Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICMAI takes no responsibility for the accuracy and reliability of information published in the Daily News Digest. No part of this Daily News Digest may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise without the permission of BFSIB of ICMAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.