

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

28 May 2026



### **ECONOMY**

**New series IIP from June 1 to give better estimates on factory output:** India's macroeconomic data is set to get one more revamp that will help in more accurate estimation of factory output. An updated series of the Index of Industrial Production with a base year of 2022-23 and a wider coverage with several new products is set to be released on June 1. This follows the updation of the GDP estimates and Consumer Price Index earlier this year. The new IIP will continue to cover the three broad industry sectors of mining, manufacturing and industry. But besides the existing sectoral coverage, it will also cover minor minerals, rare earth minerals, gas supply, water supply, sewerage and waste management. Further, it will release indices at greater granularity by providing separate indices for generation of electricity through renewable and non-renewable, gas supply, fuel minerals, metallic minerals and non-metallic minerals, water supply, sewerage and waste management.

***(Business Today)***

**Iran deal may ease oil stress, but won't plug India's capital or AI gaps:** A US-Iran peace deal will be cheered by governments around the world. But in India, critically dependent on the Strait of Hormuz for everything from cooking fuel to fertilisers, an end to the energy squeeze of the last three months will only bring short-term relief. That's because the West Asia crisis has exacerbated a different kind of shortage in the world's most populous nation — of capital and ideas. Neither gap will get plugged any time soon. The two flows are interlinked. Having failed to emulate East Asia's success with manufacturing exports, India pays for its chronic trade shortfall by writing IOUs to global investors. As Kotak Institutional Equities in Mumbai noted in a recent report, a combination of high current deficits and large capital surpluses has historically

sustained India's external accounts. But that model of financing was weakening long before the effective closure of the Strait of Hormuz.

***(Business Standard)***

## **BANKING & FINANCE**



**Govt prepares Rs.10,000 crore LIC stake sale next month:** India is likely to begin formal marketing next month for a planned share sale in Life Insurance Corporation of India that could raise as much as Rs.10,000 crore, according to people familiar with the matter. The government plans to sell a stake of about 2% in the state-run insurer in late June or early July to institutional investors, the people said, asking not to be identified because the information is private.

***(Business Line)***

**HDFC Bank, under scanner over Rs 45 cr MSRDC deal:** An Indian Express investigation has revealed a Rs 45 crore 'shadow deal' involving the country's largest private sector lender and the Maharashtra State Road Development Corporation (MSRDC). The report states that the Audit Committee of the Board (ACB) had ordered a formal internal vigilance investigation into payments totalling Rs 45 crore made to MSRDC, a state government agency, during FY2024 and FY2025. The investigation reveals, "these payments, based on internal records, were meant for MSRDC as "differential interest" i.e., interest over and above the specified rate, on its deposits. But instead of being credited directly to MSRDC's account as interest earned, they were routed through the bank's marketing department, disguised as contributions to a road safety awareness campaign through four local vendors."

***(Financial Express)***

**Indian banks more exposed to West Asia crisis among APAC region: Moody's:** Moody's Ratings on Wednesday said Indian banks are among the more exposed in the Asia-Pacific region, given the economy's high dependence on energy imports from West Asia and the consequent pressure on inflation, interest rates and borrower cash

flows. Moody's said higher fuel costs will strain consumers' budgets and raise debt-servicing burdens for households and SMEs, translating into increased, though gradual, credit stress in these loan portfolios.

***(Economic Times)***

**FinMin to meet chiefs of PSU banks on Fri to review credit flow to agri, MSME sectors:** The finance ministry has called a meeting of heads of public sector banks (PSBs) on Friday to review financial performance, progress of credit flow to the agriculture sector and MSMEs amid the West Asia crisis. Public sector banks posted record profits of Rs 1.98 lakh crore in the financial year ended March 2026. The finance ministry will meet bank chiefs to review performance and credit flow to agriculture and MSMEs. Discussions will also cover regional rural banks, digital frauds, and recovery mechanisms. This meeting follows a period of strong profitability and business growth for PSBs.

***(Economic Times)***

**Banking sector key to realising Viksit Bharat vision: SBI Chairman C S Setty:** As India advances towards its Viksit Bharat vision, the banking sector will play a transformative role in mobilising capital, fostering entrepreneurship, supporting infrastructure development, and accelerating financial inclusion, SBI Chairman C S Setty said. "As the country's largest bank, we recognise both the opportunity and responsibility that comes with this role and remain committed to supporting India's growth aspirations," he said in his address to shareholders in the annual report. Sharing the vision for the bank, Setty said, "Our strategic priorities will remain firmly centred around strengthening our 'Digital First, Customer First' approach."

***(Economic Times)***



# INDUSTRY OUTLOOK



**Banks need to act fast as customers turn to AI for stock picks and savings yields: McKinsey & Company:** Customers are embracing generative AI at an unprecedented pace. This rapid adoption is outpacing traditional technologies, leaving banks with limited time to adapt. Consumers are already using AI for sophisticated financial tasks, even outperforming professional stock pickers. Banks must quickly evolve their products and services to meet this growing demand.

***(Economic Times)***

**Allahabad HC quashes labour law case against Wipro chairman Azim Premji:** The Lucknow bench of the Allahabad High Court on Wednesday quashed criminal proceedings against Wipro chairman Azim Premji and other senior company officials, initiated in connection with alleged violations of labour laws. The court also set aside the summons issued by a magistrate's court in the matter. The order was passed by Justice Jafeer Ahmad on a petition filed by Premji and others.

***(Business Standard)***

**TCS inks multi-year AI transformation deal with SKF:** TCS on Wednesday announced that it has bagged a multi-year deal from Swedish bearings maker SKF. The financial details were not shared, but people in the know called it a multi-year, multi-million-dollar engagement. The deal, which comes at a time when concerns are being raised about the IT sector story following the advent of AI, involves modernisation of SKF's existing IT landscape. TCS will enable SKF to build a future-ready digital enterprise, leveraging AI to reimagine industrial manufacturing business, a statement said. The Indian IT major will provide end-to-end managed services across applications, infrastructure, data, end-user services, security, and connectivity for SKF across the globe.

***(Business Standard)***



## REGULATION & DEVELOPMENT

**Supreme Court upholds 28% GST on online gaming; Rs.1 lakh cr tax burden looms:** In what is being seen as a setback to gaming companies, the Supreme Court on Wednesday upheld the constitutional validity of the 28% goods and services tax on online gaming companies on a retrospective basis, backing the tax demands of over Rs 1 lakh crore on these firms. The decision by the court is seen to settle the position of law on this issue and is expected to lead to significant tax payments by online gaming companies although many have since then shut shop.

*(Business Today)*

**Cabinet extends SARTHAK-PDS scheme for 5 yrs with Rs.25,530-crore outlay:** The Union Cabinet on Wednesday approved the extension of the 'SARTHAK-PDS' scheme for five years till March 2031, with an outlay of Rs.25,530 crore, by merging two existing programmes. It also revised the norms governing Central assistance to states and union territories for intra-state movement and handling of food grains, along with fair price shop (FPS) dealers' margins, while retaining the existing funding pattern.

*(Business Standard)*

**MFI portfolio drops 9% YoY to Rs 3.34 trillion as of April 2026: Equifax:** The total microfinance portfolio outstanding stood at Rs.3.34 trillion as of April 30, 2026, reflecting a 9 per cent year-on-year (Y-o-Y) decline, while active loans moderated to 10.28 crore, according to an Equifax report. Disbursement activity also remained measured, with industry-wide disbursement volumes declining 18 per cent year-on-year and disbursement value reducing 4 per cent during the period from May 2025 to April 2026. However, there was a notable improvement in asset quality across the industry, with the 30+ days past due (DPD) delinquency rate declining sharply to 2.5 per cent in April 2026 from 6.4 per cent in April 2025.

*(Business Standard)*



# FINANCIAL TERMINOLOGY

## **ANGEL CAPITAL**

- Angel capital is capital invested in a start-up venture or small business expansion by an angel investor. Angel investors are typically individuals, partnerships or investment groups who consciously seek higher rates of return than is available in more traditional investments. An angel investor typically seeks returns on investment of 20-25 percent or more per year.
- Angel capital is an equity investment where the angel investor provides funding in exchange for taking an equity position in the company. Equity financing is normally used by non-established businesses that do not have sufficient cash flow or collateral with which to secure business loans from financial institutions.



### **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 : 95.7883  
INR / 1 GBP : 128.8021  
INR / 1 EUR : 111.4937  
INR /100 JPY: 60.1100

### **EQUITY MARKET**

Sensex: 75867.80 (-141.90)  
NIFTY: 23907.15 (-6.55)  
Bnk NIFTY: 54853.85 (-239.05)

### **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

**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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