

DAILY NEWS DIGEST BY BESI BOARD

30 May 2026



ECONOMY

India's forex reserves fall to over one-year low as RBI mounts rupee defence:

India's foreign exchange reserves fell to a more than one-year low of \$681.4 billion in the week ended May 22, from \$688.89 billion a week earlier, the Reserve Bank of India (RBI) data showed on Friday. The \$7.5 billion decline was largely due to a \$4.5 billion fall in the value of the central bank's gold holdings, week-on-week. The value of the RBI's foreign currency assets also shrunk by nearly \$3 billion to \$543 billion.

(Moneycontrol)

India faces its driest period in 11 years as IMD projects monsoon at 90% of LPA:

The India Meteorological Department (IMD) on Friday scaled down its projection for the South-West Monsoon to 90 per cent of the long-period average (below-normal rainfall), leaving the country facing its driest weather in 11 years. The rainfall, taking into account the long-period average (LPA) or the average rain since 1971, will likely be the lowest since 2015. It could leave the country dry in most parts. In 2015, it was 86 per cent of the LPA, while in 2014, it was 88 per cent of the LPA. In 1991, IMD forecast the monsoon rain at 90 per cent of LPA.

(Business Line)

India's services exports rise 12.7% in April despite global tensions:

India's services trade saw an expansion in imports and exports during April, according to the Reserve Bank of India (RBI). The data showed that exports grew by 12.7 per cent to USD 37.021 billion in April, registering the highest growth in the calendar year. Imports also expanded 8.9 per cent to USD 18.417 billion in April, according to the RBI data.

(Business Line)

BANKING & FINANCE



RBI exploring 'kill switch' for all debit transactions to prevent digital payment frauds: RBI is exploring a 'kill switch' for all debit transactions to prevent any potential digital fraud, if the customer suspects it, the regulator said in its annual report. The move comes after the regulator recently suggested that first-time high-value person-to-person UPI transactions could be processed with a lag to prevent fraudulent transactions. "The introduction of a switch-on and switch-off facility for all digital payment modes shall be explored along with a 'kill switch' to block all debits from the account in one stroke. This facility would help bolster consumer confidence and contribute towards controlling fraud in digital payment transactions," RBI said.

(Moneycontrol)

RBI flags 20% jump in fake Rs.500 notes years after demonetisation drive: Detection of counterfeit currency notes in India's banking system rose 5.7 per cent in 2025-26, driven largely by a sharp increase in fake Rs.500 notes, according to the latest annual report released by the Reserve Bank of India. The total number of counterfeit notes detected during the financial year stood at 2,29,746 pieces, up from 2,17,396 pieces in 2024-25. Among all denominations, fake Rs.500 notes remained the most frequently detected. The number surged 20.5 per cent to 1,41,907 pieces in 2025-26, compared with 1,17,722 pieces in the previous year. The denomination accounted for the bulk of counterfeit detections across the banking system. Counterfeit Rs.20 notes recorded one of the steepest percentage increases, climbing 47.4 per cent to 373 pieces from 253 pieces a year earlier.

(Business Today)

Banking frauds jump 46% to Rs 48,021 crore in FY26: India's banking sector reported a 46% year-on-year jump in frauds to Rs.48,021 crore in FY26, the highest in three years, even as the number of fraud cases more than halved to 10,114 from 23,722 in FY25, according to the Reserve Bank of India's Annual Report. The fraud amount in FY26 was more than four times the Rs.11,013 crore reported in FY24.

Public sector banks accounted for 74% of the total fraud amount in FY26, reporting frauds worth Rs.35,709 crore across 5,418 cases. Private sector banks reported Rs.11,399 crore involving 3,956 cases. The RBI said data for FY26 included fraud classification in 314 cases amounting to Rs.30,199 crore pertaining to previous financial years, which were reported afresh after re-examination in compliance with the Supreme Court's March 27, 2023 judgement.

(Financial Express)

RBI highlights strong banking sector health, says lenders can withstand severe shocks: RBI on Thursday said that India's financial sector remained resilient in 2025-26, supported by healthy bank and non-bank balance sheets, improved asset quality and strong capital buffers. The central bank affirmed confidence in India's banking sector, indicating that it remains healthy, with gross bad loans at multi-decadal lows and stress tests showing banks can withstand severe shocks without breaching capital norms. "Stress test results reaffirmed the resilience of banks, indicating their ability to withstand losses under adverse scenarios while maintaining capital buffers well above the regulatory minimum," the central bank said in its Annual Report.

(Economic Times)

Banks' RoA to slip up to 0.15% in FY27 on lower treasury income, ECL provisions: The return on assets (RoA) of the Indian banking sector is expected to decline to 1.15-1.2 per cent this fiscal from around 1.3 per cent in the previous year, weighed down by lower treasury income and pre-emptive provisioning ahead of the expected credit loss (ECL) framework, according to a report. Crisil Ratings in its report stated that sectoral RoA will stay above the 20-year average of 0.8 per cent and 10-year average of 0.6 per cent. The moderation in profitability will primarily stem from reduced treasury gains as bond yields normalise and higher provisions ahead of the ECL framework.

(Economic Times)

RBI balance sheet jumps 20.6% to Rs.91.97 lakh crore in FY26: Reserve Bank's balance sheet swelled to Rs 91.97 lakh crore at the end of March 2026, up 20.6 per cent year-on-year, due to a rise in domestic investments as well as gold and foreign investments, according to the central bank's annual report released on Friday. The balance sheet size increased by Rs 15,71,699.15 crore from Rs 76,25,421.93 crore as

on March 31, 2025, to Rs 91,97,121.08 crore as on March 31, 2026, RBI's Annual Report for 2025-26 said. The Increase on the assets side was due to a rise in domestic investments, gold and foreign investments by 44.9 per cent, 63.8 per cent and 7.9 per cent, respectively.

(Business Standard)

INDUSTRY OUTLOOK



Moody's upgrades Reliance to Baa1 on strong balance sheet, diversified businesses: Moody's Ratings has upgraded Reliance Industries Ltd to Baa1 from Baa2 - two notches above India's sovereign rating, citing the conglomerate's resilient credit profile, diversified operations and strong financial discipline. The ratings agency said Reliance benefits from its leading positions across oil-to-chemicals, digital services and retail, as well as counter-cyclical business segments and significant international exposure, with more than one-third of revenue coming from exports. "RIL's rating has been upgraded to Baa1 from Baa2.

(Moneycontrol)

Sensex crashes over 1,000 points as MSCI rejig sparks heavy selloff: Markets closed sharply lower on Friday, with a near-300-point freefall in the final 30 minutes of trade wiping out most of the day's gains, as MSCI's May 2026 index rebalancing triggered an estimated \$800 million to \$1 billion in passive foreign outflows from Indian equities. "The pressure intensified during the final hours of trade after the MSCI Global Standard Index rebalancing came into effect, triggering heightened volatility in select stocks amid expected passive fund flow adjustments,". On the macro front, the IMD's downward revision of the 2026 southwest monsoon forecast to 90 per cent of the Long Period Average, from an earlier estimate of 92 per cent, amid rising El Niño risks, rattled investor sentiment, stoking fears of food inflation.

(Business Line)

Infosys CEO Salil Parekh's salary rises 2.5% to Rs.82.6 crore in FY26: Infosys CEO Salil Parekh's salary inched up 2.5 per cent to Rs.82.6 crore in the last financial year, compared to Rs.80.6 crore the year earlier, according to the company's annual report. Parekh's pay consisted of a base salary of Rs.7.97 crore, retiral benefits of Rs.53 lakh, bonus of Rs.23.35 crore, and perquisites of Rs.50.75 crore due to his stock options. All the components saw an uptick from the year before.

(Business Standard)



REGULATION & DEVELOPMENT

New SEBI rules: Single demat account holders must nominate or formally opt out from Sept: The Securities and Exchange Board of India (SEBI) has revised nomination rules for demat accounts and mutual fund folios, introducing a simplified framework that aims to make investing easier while addressing the growing issue of unclaimed financial assets. Under the new rules, investors opening single-holder demat accounts or mutual fund folios from September 1, 2026, will be required to either nominate a beneficiary or formally opt out through a declaration. For jointly held accounts and mutual fund folios, however, nomination will remain optional. SEBI has retained flexibility for joint investors while strengthening safeguards for individual account holders.

(Business Today)

RBI to expand e-Rupee pilot to include cross-border payments, welfare transfers and domestic retail: RBI plans to expand its digital currency pilot to include cross-border payments, government benefit transfers, and domestic retail, according to its annual report for FY26 released on Friday. The central bank also intends to launch bilateral central bank digital currency (CBDC) pilots and explore the tokenization of financial assets to widen the e-Rupee's reach. It said in the annual report that it intends to operationalise bilateral CBDC pilots with select use cases and deepen engagement in multilateral projects.

(Mint)

Department of Financial Services Launches Common Landing Portal for Unclaimed Financial Assets: The Department of Financial Services (DFS), Ministry of Finance, today launched the Common Landing Portal for Unclaimed Financial Assets, developed in collaboration with PSB Alliance, to facilitate easier access to information relating to unclaimed financial assets. The portal, accessible at <https://www.unclaimedassetsportal.in>, serves as a unified platform providing access to search facilities relating to unclaimed bank deposits, insurance claims, shares, dividends and mutual funds available across the financial ecosystem. The initiative builds upon the nationwide campaign “आपकी पूँजी, आपका अधिकार (Your Money, Your Right)”, undertaken by the Department of Financial Services in coordination with financial sector regulators, banks and other stakeholders to facilitate awareness, tracing and restitution of unclaimed financial assets.

(PiB)

RBI and State Bank of Vietnam Sign MoU on May 5, 2026 to Strengthen Digital Payments and Financial Innovation: The Reserve Bank of India and the State Bank of Vietnam on 05.05.2026 signed an MoU to promote cooperation in financial innovation and digital payments, including information sharing, regulatory coordination, and payment system connectivity for cross-border QR Code-based merchant payments. The MoU marks a forward-looking and substantive step towards strengthening bilateral cooperation in financial innovation and digital payments, with potential to enhance cross-border payment linkages and position India as a major fintech hub.

(PiB)



GREEN BANKING

- Green banking means promoting environmental friendly practices and reducing your carbon footprints from your banking activities.
- Green banking aims at improving the operations and technology along with making the clients habits environment friendly in the banking business. It is like normal banking along with the consideration for social as well as environmental factors for protecting the environment.
- Green banking minimizes paperwork to the greatest extent possible and concentrates on electronic transactions such as ATM, mobile banking, and other forms of electronic banking by customers. Electronic transactions not only contribute to sustainability, but they also give convenience to both clients and banks.



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 : 95.3845
INR / 1 GBP : 128.1841
INR / 1 EUR : 111.1102
INR /100 JPY: 59.8900

EQUITY MARKET

Sensex: 74775.74 (-1092.06)
NIFTY: 23547.75 (-359.40)
Bnk NIFTY: 54239.20 (-614.65)

Courses conducted by BFSI Board

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- ❖ Certificate Course on Credit Management of Banks
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- ❖ Certificate Course on General Insurance
- ❖ Advance Certificate Course on FinTech
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- ❖ Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).
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- ❖ Guidance Note on the Internal Audit of General Insurance Companies.
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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

TEAM BFSIB

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

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