

## **DAILY NEWS DIGEST BY BFSI BOARD**

04 May 2026



### **ECONOMY**

**Middle East crisis may spur India's capex boom: Morgan Stanley lifts investment outlook to 37.5% of GDP:** While global investors remain nervous about oil prices and the Middle East conflict, Morgan Stanley is finding opportunity in the crisis for India. In its latest note, the brokerage has raised its forecast for India's investment rate. It now expects the investment-to-GDP ratio to reach 37.5% by FY30, up from 36.5% earlier. This implies an extra US\$800 billion in cumulative capital spending over the next five years. Nearly 60% of this fresh investment is likely to go into energy, data centres, and defence. This upgrade is significant for Indian equities. Higher capex should lift corporate profit share in GDP and support earnings growth of more than 15% CAGR over the next five years.

**(Moneycontrol)**

**Fuel demand splits: Petrol up 6%, LPG falls 16%, diesel flat:** India's fuel consumption trends diverged sharply in April, with petrol demand rising 6.36% year-on-year to 3,669 thousand metric tonnes (TMT) even as LPG consumption fell 16.16% to 2,198 TMT, reflecting early signs of disruption linked to the ongoing West Asia conflict, according to PPAC data. Diesel demand, the largest component of the fuel basket, remained nearly flat at 8,282 TMT, up just 0.25% from 8,261 TMT a year ago, indicating stable but cautious industrial and transport activity. Aviation turbine fuel (ATF) consumption declined 1.37% to 761 TMT from 772 TMT, pointing to a marginal moderation in aviation fuel demand amid global volatility.

**(Financial Express)**

**DEA notifies Fema FDI easing for firms with up to 10% Chinese stake:** The Finance Ministry has notified a decision to allow overseas companies with Chinese shareholding of up to 10 per cent to invest in India under the automatic route under FEMA, according to a notification. In March, the Union Cabinet approved amendments in the press note (PN) 3 of 2020 of the DPIIT. As per the amendments, foreign companies having a Chinese/Hong Kong shareholding of up to 10 per cent will be eligible to invest in India in sectors where FDI is permitted under the automatic route subject to sectoral conditions. However, these relaxed FDI rules will not apply to entities registered in China or Hong Kong or other countries sharing land borders with India.

*(Business Standard)*

## **BANKING & FINANCE**



**Women hold less than a quarter of demat accounts:** Despite significant expansion of India's capital markets, women continue to hold a disproportionately small share of demat accounts, according to the latest edition of the Women & Men in India 2025 report released by the Ministry of Statistics and Programme Implementation (MoSPI). The report also revealed a wide and persistent disparity between the number of men and women in managerial positions in the corporate sector, and women's much higher involvement in unpaid domestic work. As of October 31, 2025, women accounted for only 19.8% of the total 167.5 million demat accounts maintained with the Central Depository Services (India) Limited (CDSL). Men held the remaining 80.2%. The absolute numbers stand at approximately 33.1 million crore accounts for women compared to 134.4 million for men.

*(Financial Express)*

**Kotak Mahindra Bank Q4 PAT up 13.4% YoY as provisions fall:** Kotak Mahindra Bank's net profit for the quarter ended March was up 13.4% on year to Rs 4,027 crore on the back of improving income and a fall in provisions. Analysts had pegged the bottom line for the private sector bank at Rs 3,784 crore, according to Bloomberg

estimates. The net interest income of the lender was up 8% on year to Rs 7872 crore, higher than the Bloomberg estimate of Rs 7,634 crore, for the reporting quarter. The other income moderated by 2% on year to Rs 3116 crore. However, on a sequential basis, the other income rose almost 10%. The asset quality too improved for the bank, with gross non-performing asset (NPA) ratio at 1.20% as on March 31, as against 1.30% a quarter ago, and the net NPA ratio stood at 0.25% as compared to 0.31% a quarter ago.

***(Financial Express)***

**Public sector banks rush to build up wealth management assets:** Public sector banks are stepping up their push into wealth management, traditionally dominated by private lenders, by leveraging their large customer base, digital capabilities and expanded advisory services. The move is aimed at improving customer engagement as household savings shift from bank deposits to market-linked instruments and risk products. Indian Bank plans to set up a wealth management vertical targeting high net worth individuals, while sectoral leader State Bank of India aims to grow its wealth assets under management fivefold to Rs 15 lakh crore by 2030.

***(Economic Times)***

**Centre allows 100% FDI in insurance via auto route:** The finance ministry on Saturday notified the Foreign Exchange Management (Non-debt Instruments) (Second Amendment) Rules, 2026, which allows 100% foreign investment in an insurance company through the automatic route. The notification states that foreign investment in Life Insurance Corporation continues to be capped at 20%.

***(Economic Times)***

**Rohit Jain appointed RBI Deputy Governor for 3 yrs, to succeed Rabi Sankar:** The Appointments Committee of the Cabinet (ACC) approved Rohit Jain's appointment as Deputy Governor of the Reserve Bank of India for three years, effective on or after May 3, a notification from the Department of Personnel and Training (DoPT) said. Jain will succeed T Rabi Sankar, whose term ends today. Jain was appointed as an executive director of the RBI in December 2020. Jain has, over a span of about three decades, served in supervisory, human resource management, banking, and other areas in the Reserve Bank.

***(Business Standard)***

# INDUSTRY OUTLOOK



**Spirit Airlines shuts down, industry's first Iran war casualty:** Bankrupt discount carrier Spirit Airlines, opens new tab ceased operations on Saturday, the industry's first casualty linked to the Iran war, after failing to secure creditor support for a U.S. government bailout plan. The collapse of the carrier following a doubling in jet fuel prices during the two-month-old Iran war will cost thousands of jobs. It is a blow to President Donald Trump, who had proposed \$500 million to save Spirit despite opposition from some of his closest advisers and many Republicans in Congress.

*(Reuters)*

**RBI caps unsecured lending, tightens housing loan norms for UCBs:** RBI has issued final guidelines on revised lending norms for Urban Cooperative Banks (UCBs) streamlining credit rules, and strengthening risk-management practices. RBI has limited the aggregate unsecured loans and advances at 20 per cent of its total loans, while also setting limits of unsecured individual unsecured loan at Rs. 5 lakh for Tier-1 UCBs, Rs. 7.5 lakh for Tier-II and Rs. 10 lakh for Tier-III and Tier-IV UCBs. Furthermore, unsecured advances up to Rs. 50,000 per borrower, which are eligible to be categorised as priority-sector loans shall not be calculated under 20 per cent unsecured lending limit for UCBs, which are compliant with RBI's Eligibility Criteria for Business Authorisation (ECBA).

*(Business Standard)*



## REGULATION & DEVELOPMENT

**No prior nod for BRICS Bank investments: Govt:** The government, while notifying rules affirming prior government approval for Foreign Direct Investment (FDI) from countries sharing land borders with India, has kept the New Development Bank (NDB) or BRICS Bank out of this regime. The notification by Department of Economic Affairs (DEA) making changes to the Foreign Exchange Management (Non-Debt Instruments) Rules has said, a Multilateral Bank or Fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such Bank or Fund in India.”

*(Financial Express)*

**NFRA issues stringent rules for Big Four firms; auditors to get 90 days to fix gaps:** The National Financial Reporting Authority (NFRA) has come out with “stringent” norms that’s going to force top firms to fix gaps in their audit practice within a specified period. According to the new norms issued by the NFRA, audit firms are mandated to submit a plan within 90 days to fix lapses as flagged by the regulator in its annual inspection reports on these firms. This is a major shift in NFRA’s stance which, until recently, was asking the firms to take corrective steps basis its inspection reports but never called for a “remediation plan”. The regulator has also asked the firms to comply with all the findings contained in the detailed inspection report within the timelines prescribed in the report or below 180 days from the issuance of the report.

*(Financial Express)*

**ADB launches \$70 bn push to connect Asia's power grids, digital networks:** The Asian Development Bank (ADB) on Sunday said it will back \$70 billion in new energy and digital infrastructure initiatives across Asia and the Pacific by 2035, aimed at strengthening cross-border connectivity and expanding access to electricity and broadband. Energy and digital access will play a defining role in shaping the region's future, adding that the initiatives seek to link power grids and digital networks to lower costs and expand opportunities, ADB President Masato Kanda said while speaking to

the media at the 59th annual meeting of the bank here. The bank announced two major programmes -- the Pan-Asia Power Grid Initiative and the Asia-Pacific Digital Highway -- with proposed investments of \$50 billion and \$20 billion, respectively.

**(Business Standard)**



### **KEY CURRENCY**

- A key currency refers to a currency which is stable, does not fluctuate much, and provides the foundation for exchange rates for international transactions. Because of their global use, key currencies tend to set the value of other currencies.
- Also, these currencies tend to have a stable valuation over time. A key currency usually comes from a country that is financially strong, economically stable and developed, and one that is involved in the global market.
- The seven key currencies today are the U.S. dollar, the Euro, the British pound, the Japanese yen, the Canadian dollar, the Swiss franc, and the Mexican peso, although other contenders, such as the Chinese yuan, also exist.



### **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 : 95.2417  
INR / 1 GBP : 128.1953  
INR / 1 EUR : 111.0683  
INR /100 JPY: 59.2800

### **EQUITY MARKET**

Sensex: 76913.50 (-582.86)  
NIFTY: 23997.55 (-180.10)  
Bnk NIFTY: 54863.35 (-540.25)

### **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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