

DAILY NEWS DIGEST BY BESI BOARD

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ECONOMY

China, US agree to implement 'all' previous trade agreements after Xi-Trump summit: China and the United States agreed to continue implementing "all" agreements previously reached and to establish councils for trade and investment, Beijing's top diplomat said in a statement on Friday. US President Donald Trump (R) speaks with China's President Xi Jinping as he leaves after a visit to Zhongnanhai Garden in Beijing on May 15, 2026. (Photo by Evan Vucci / POOL / AFP. China and the United States agreed to continue implementing "all" agreements previously reached and to establish councils for trade and investment, Beijing's top diplomat said in a statement on Friday.

(Moneycontrol)

India's forex reserves jump by \$6.295 billion to \$696.988 billion: India's forex reserves jumped by \$6.295 billion to \$696.988 billion during the week ended May 8, the Reserve Bank said on Friday. The overall reserves had dropped by \$7.794 billion to \$690.693 billion in the previous reporting week. The forex kitty had expanded to an all-time high of \$728.494 billion during the week ended February 27 this year, before the onset of the West Asia crisis, which led to several weeks of drop, as the rupee came under pressure and RBI had to intervene in the forex market through dollar sales.

(Moneycontrol)

Govt imposes windfall tax on petrol exports; cuts duty on diesel, aviation turbine fuel: The government on Friday imposed a windfall gains tax of Rs 3 per litre on petrol exports, while reducing the levy on diesel exports to Rs 16.5 per litre and aviation turbine fuel (ATF) exports to Rs 16 per litre with effect from May 16. In a notification,

the Finance Ministry said the road and infrastructure cess on exports of petrol and diesel will remain nil. There is no change in the existing duty rates on petrol and diesel cleared for domestic consumption. The special additional excise duty (SAED) on petrol exports at Rs 3 per litre has been imposed for the first time since the start of the West Asia crisis.

(Moneycontrol)

BANKING & FINANCE



Emirates NBD gets Centre's nod to acquire majority stake in RBL Bank: Dubai-headquartered banking major Emirates NBD has secured approval from the Centre to move ahead with its investment and acquire stake in RBL Bank, according to a stock exchange disclosure released on Friday. The Middle East banking giant is looking to pick up as much as a 74% holding in RBL Bank. In April this year, the bank had already obtained clearance from RBI, which permitted the proposed acquisition of up to 74% of RBL's paid-up equity capital through a letter issued on April 1. In its regulatory filing, RBL Bank said Emirates NBD informed the lender on May 15, 2026, that it had received communication from Union Ministry of Finance's Department of Financial Services, dated May 14, granting approval for the investor to raise its shareholding beyond 49% and up to 74% in the bank.

(Moneycontrol)

PSBs tap liquidity buffer to meet strong loan demand: Public sector banks in India are seeing their liquidity coverage ratios decline. This trend is driven by strong loan demand outpacing retail deposit growth. Banks are using their excess liquidity to fund loans. This situation is expected to improve with new regulatory norms starting in Q1 FY27. The changes will impact how certain business accounts are treated for liquidity calculations.

(Economic Times)

RBI imposes penalty on IIFL Finance: The Reserve Bank of India has fined IIFL Finance Rs 3.1 lakh for not returning surplus amounts from gold auctions to borrowers. Appnit Technologies faces a Rs 5.8 lakh penalty for KYC and PPI rule violations. These actions stem from regulatory compliance deficiencies identified during inspections. The RBI's move highlights its commitment to enforcing financial regulations.

(Economic Times)

Better recoveries, low slippages pull down PSU banks write-offs to multi-year lows in FY26: Loan write-offs by public sector banks declined to multi-year lows in the fiscal year 2025-26 on the back of lower slippages and better recoveries. As per an analysis of bank earnings by PTI, most banks including Bank of Baroda, Union Bank of India, Punjab National Bank, Central Bank of India, Indian Overseas Bank, and Indian Bank had write-offs which were the lowest in up to eight years. Bank of Baroda reported Rs 6,330 crore write-offs in FY26, lowest since FY18, Bank of India reported Rs 5,735 crore write-off lowest since FY16, and Indian Bank reported Rs 6,695 crore write-off lowest since FY19, while Indian Overseas Bank's write-off stood at Rs 1,189 crore in FY26, which was also a multi-year low.

(Economic Times)

INDUSTRY OUTLOOK



Fuel prices hiked after 4 years; OMC losses persist: Petrol and diesel prices increased by Rs.3 per litre each on Friday — the first hike in more than four years — as state-run oil marketing companies (OMCs) passed on part of the burden from elevated crude oil prices triggered by the prolonged West Asia conflict, though analysts said the hike remains insufficient to fully offset mounting losses. The latest increase pushed petrol prices in Delhi to Rs.97.77 per litre from Rs.94.77 earlier, while diesel prices rose to Rs.90.67 per litre from Rs.87.67. CNG prices were also increased by

Rs.2 per kg in major cities, taking rates in Delhi to Rs.79.09 per kg and Mumbai to Rs.84 per kg.

(Financial Express)

Automakers say PM's EV push can help grow penetration: Automobile manufacturers have welcomed Prime Minister Narendra Modi's renewed push for electric vehicles (EVs), saying the transition to cleaner mobility is critical not only for sustainability but also for strengthening India's energy security by cutting dependence on costly crude oil imports. Industry executives said the Prime Minister's appeal to citizens to reduce petrol and diesel consumption, use public transport, carpool and adopt EVs could accelerate consumer awareness and support the sector's long-term growth plans centred around localisation and innovation.

(Business Line)

Adanis agree to pay \$18 million to settle SEC case linked to Adani Green bond offering: Gautam Adani and Sagar Adani have agreed to pay civil penalties of \$6 million and \$12 million, respectively, to settle charges brought by the US Securities and Exchange Commission over alleged misleading disclosures linked to a 2021 bond offering by Adani Green Energy. In a litigation release issued on Thursday, the SEC said it had moved for entry of final judgments by consent against the two executives in the US District Court for the Eastern District of New York. The proposed settlements are subject to court approval.

(Business Line)



REGULATION & DEVELOPMENT

SEBI eases PAN onboarding norms for FPIs amid concerns over new tax rules: SEBI has said the Central Board of Direct Taxes (CBDT) has issued clarifications to address difficulties faced by foreign portfolio investors (FPIs) in obtaining PAN under the newly notified Income-tax Rules, 2026. CBDT had notified the Income-tax Rules, 2026 and related PAN application forms on March 20, 2026. The revised forms introduced additional fields such as Taxpayer Identification Number (TIN) and details of

Representative Assessee (RA) or Authorised Representative (AR), while some previously optional fields, including mobile numbers, were made mandatory. Further, if the PAN, Aadhaar or passport details of the AS are unavailable, FPIs may furnish their registration number. In jurisdictions where TIN is not applicable, applicants can fill the field with “0000000000”.

(Business Today)

SEBI eases InvIT norms on borrowings, SPV classification after project completion: SEBI allowed greater flexibility in the use of borrowings by InvITs and eased norms for SPVs after the completion or termination of concession agreements. The regulator widened the permissible use of borrowings for InvITs where net borrowings exceed 49 % of the value of assets, aimed at enhancing asset performance or expanding capacity. SEBI has permitted the use of such borrowings to improve asset performance or augment capacity, major maintenance expenses for road projects, and refinancing existing debt, subject to conditions. Further, SEBI eased norms for SPVs holding infrastructure projects whose concession agreements have ended or been terminated. Such SPVs will continue to retain their classification as SPVs provided the InvIT either exits the investment or acquires a new infrastructure project in the SPV within one year. The one-year timeline will start after the later of project completion, conclusion of pending litigations or tax assessments, or completion of the defect liability period.

(Business Line)

PFRDA allows exit from annuity under NPS in certain cases: PFRDA has relaxed annuity exit rules, allowing subscribers of the National Pension System (NPS) to surrender annuity policies in certain special situations. According to the revised norms, now some of the NPS subscribers will be allowed to surrender their annuity policies in some cases, especially in case of critical illness. If the subscriber or any member of their family suffers from a critical illness, the annuity can be surrendered. However, such a request is subject to assessment and approval by the Annuity Service Provider (ASP) as per its internal policy and process.

(Financial Express)



FINANCIAL TERMINOLOGY

SOFT CURRENCY

- Soft currency is a currency which is hyper sensitive and fluctuates frequently. Such currencies react very sharply to the political or the economic situation of a country.
- It is also known as weak currency due to its unstable nature. Such currencies mostly exist in developing countries with relatively unstable governments. Soft currencies cause high volatility in exchange rates as well, making them undesirable by foreign exchange dealers. These currencies are the least preferred for international trade or holding reserves.
- Zimbabwean dollar is a classic example of soft currency.
- The key difference between a horizontal acquisition and a virtual acquisition is that in the latter, the companies would be in the same industry but would have completely different production cycles.



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 : 95.9255

INR / 1 GBP : 128.0912

INR / 1 EUR : 111.6336

INR /100 JPY: 60.5400

EQUITY MARKET

Sensex: 75237.99 (-160.73)

NIFTY: 23643.50 (-46.10)

Bnk NIFTY: 53710.35 (-418.60)

Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
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- ❖ 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).
- ❖ Guidance Note on the Internal Audit of General Insurance Companies.
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- ❖ 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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