

DAILY NEWS DIGEST BY BESI BOARD

28 April 2026



ECONOMY

India- New Zealand-FTA could absorb at least 12% of India's Gulf exports: New Zealand could absorb at least 12 percent of India's exports currently exposed to the Strait of Hormuz if disruptions in the key shipping route persist, according to a Moneycontrol analysis of trade data. The estimate assumes a prolonged blockade of the Hormuz corridor and a slower recovery in demand from affected Gulf markets. India and New Zealand on April 27 signed a free trade agreement (FTA), concluding 13 months of negotiations. The pact is expected to significantly boost bilateral trade, with Wellington offering zero-duty access to 100 percent of Indian exports. New Delhi, in turn, has agreed to eliminate tariffs on 70 percent of tariff lines, covering about 95 percent of New Zealand's exports by value, while keeping sensitive sectors such as dairy outside the agreement.

(Moneycontrol)

NSO moots a new Index of Service Production with 2024-25 as base year: The National Statistics Office (NSO) on Monday proposed using aggregated goods and services tax (GST) data to monitor the progress of the services sector through an Index of Service Production (ISP) with 2024-25 as the base year. This initiative by the country's statistics machinery addresses the need for high-frequency indicators to track the short-term performance of the services sector, which contributes over 50 per cent to gross value added (GVA). The core need stems from the absence of an index that would provide economic trends, which would complement the Index of Industrial Production (IIP) on short-term movements in the economy.

(Business Standard)

West Asia crisis: India expects FY27 fertiliser subsidy bill to rise 20%: India, the world's biggest urea importer, expects its fertiliser subsidy bill for the current financial year (FY27) to swell by about 20 per cent due to a surge in global prices amid the West Asia crisis, a senior official said on Monday. Addressing an inter-ministerial briefing on the impact of recent developments in West Asia, Aparna S Sharma, additional secretary in the Department of Fertilisers, however, added that the retail prices of urea and di-ammonium phosphate (DAP) would remain unchanged, and that there was adequate supply of fertilisers for the kharif season. "Despite the actual (non-subsidised) price of a 45 kg urea bag being at Rs. 4,000, the Centre will continue to provide the same at a highly affordable rate of Rs. 266.5 per bag," Sharma said. A jump in subsidies is projected as the country plans to import 6.4 million tonnes (mt) of urea and 1.9 mt of other fertilisers at high prices this kharif season.

(Business Standard)

BANKING & FINANCE



RBI to introduce ECL provisioning framework for banks and FIs from April 1, 2027: Banks and Financial Institutions will face tighter norms relating to asset classification and provisioning, whereby they will have to adopt a staging criteria for asset classification under the Expected Credit Loss (ECL) approach against the current incurred-loss-based provisioning framework. Further, they will have to introduce additional early warning indicators for spotting stressed assets. The aforementioned norms, which will come into effect from April 1, 2027, are as per RBI's amendment directions for dealing with stressed assets. As per the amended prudential norms on capital adequacy, banks and FIs will introduce a staging criteria for asset classification (Stage-1: loans with low risk; Stage-2: loans with increased risk; and Stage-3: impaired loans) under ECL approach even as extant norms for Non-performing Asset (NPA) classification continue. ECL approach requires pro-active provisioning rather than waiting for an asset to turn non-performing.

(Business Line)

RBI sets 6-month deadline to classify wilful defaulters after NPA tag: RBI said that if a wilful default is observed during an internal preliminary screening, a bank shall complete the process of classifying or declaring the borrower as a wilful defaulter within six months of the account being classified as an NPA. This RBI directive on Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters (Amendment Directions) will come into effect from April 1, 2027. A wilful default occurs when a unit has defaulted in meeting its payment / repayment obligations to the lender, even when it has the capacity to honour the said obligations; has siphoned off the funds; has disposed off or removed the movable fixed assets or immovable property given by it for the purpose of securing a term loan without the knowledge of the bank/lender.

(Business Line)

Banks trim workforce as digital push reshapes operations: Indian banks are tightening their workforce, with fresh data showing a steady reduction in employee strength. The trend points to a structural shift in banking operations. As digital transactions rise and physical branch footfalls stabilise, lenders are increasingly relying on automation and artificial intelligence-led underwriting. Among large private lenders, HDFC Bank saw its total employee count decline from 2.15 lakh in FY25 to 2.11 lakh in FY26. Similarly, Axis Bank trimmed its workforce to 1.01 lakh in FY26 from 1.04 lakh in FY25 and 1.04 lakh in FY24.

(Financial Express)

SBI cards sells Rs 1,800-crore bad loans to Integro Finserv: SBI Cards has taken a bold step in fortifying its financial health by offloading a considerable portion of its stressed credit card debt, valued at approximately Rs. 1,800 crore, to Integro Finserv. This transaction is a critical aspect of SBI Cards' plan to address mounting delinquencies and elevate the overall quality of its credit card offerings.

(Economic Times)

MobiKwik gets RBI nod for NBFC licence, to launch in-house lending arm: Financial Technology company One MobiKwik Systems said it has received an approval from the Reserve Bank of India for a non-banking financial company (NBFC) licence on Monday, paving the way for the launch of its in-house lending business. The company will set up a wholly owned subsidiary, MobiKwik Financial Services Private

Limited, to expand its regulated lending operations and roll out new credit products for consumers and merchants.

(Economic Times)

Corporate credit card overdue applicable only to corporate entity: RBI: RBI said that for corporate credit cards issued under the joint liability structure, overdue reporting and asset classification will be applicable only to the corporate entity. In the new asset classification, provisioning, and income recognition directions, the RBI said, “...in cases of corporate credit cards issued under the joint liability structure, overdue reporting and asset classification actions shall be applicable only for the corporate.” In the notification, the RBI has retained that card issuers shall report a credit card account as 'past due' to credit information companies (CICs) or levy penal charges, that is, late payment charges and other related charges, if any, only when a credit card account remains 'past due' for more than three days.

(Business Standard)

INDUSTRY OUTLOOK



Amazon to scale 'Amazon Now' to 100 cities, 1,000 micro-fulfilment centres: Amazon on Monday said it will expand its ultra-fast delivery service, Amazon Now, to 100 cities across India, significantly ramping up its quick commerce footprint as competition intensifies in the segment. The company plans to scale its specialised fulfilment infrastructure to over 1,000 micro-fulfilment centres (MFCs) to support the rollout. Amazon Now offers a curated range of thousands of daily essentials—including groceries, fresh produce, frozen foods, personal care items, beauty and fashion products, small appliances, baby products, pet supplies and healthcare supplements—delivered within minutes.

(Business Line)

Sun Pharma inks ‘transformatory’ agreement to buy US-based Organon for \$11.75 billion: Sun Pharmaceutical Industries has inked an agreement with United States-based Organon & Co to script the largest overseas buy for the company, and indeed the domestic pharmaceutical industry, besides being among the largest deals for corporate India. Sun is set to acquire all outstanding shares of Organon for \$14 per share in an all-cash transaction with an enterprise valuation of \$11.75 billion.

(Business Line)

Department of Posts and DTDC Sign MoU to Strengthen Logistics and E-Commerce in India: In a significant development to enhance India’s logistics and e-commerce ecosystem, the Department of Posts (DoP) and DTDC Express Limited have signed an MoU. This partnership aims to leverage DoP’s vast infrastructure and network, coupled with DTDC’s logistics experience, to significantly improve parcel delivery operations across India.

(PiB)



REGULATION & DEVELOPMENT

Govt reviews divestment plans, IDBI Bank stake sale: Government officials are reviewing the IDBI Bank disinvestment strategy. This comes after weak investor interest and market volatility impacted the proposed sale. A core group of secretaries is deliberating on revised valuations and timelines. Finance Minister Nirmala Sitharaman confirmed the strategic sale will proceed. The government aims to conclude the IDBI Bank transaction soon.

(Economic Times)

RBI asks banks to report overseas rupee OTC derivative contracts to CCIL: The RBI on Monday asked banks to report all over-the-counter (OTC) foreign exchange derivative contracts involving the rupee undertaken globally by their related parties to Clearing Corporation of India, while providing them certain operational flexibility. In a move aimed at improving transparency in the derivatives market, the central bank has issued directions on 'Reporting Instructions for Authorised Dealer Category - I Banks'.

OTC derivatives mean derivatives other than those which are traded on stock exchanges and include those traded on electronic trading platforms.

(Economic Times)

RBI eases risk-weight trigger for unrated big-ticket loans, tweaks norms: The threshold for applying a 150 per cent risk weight on unrated exposures to corporates and non-banking financial companies (NBFCs) has been raised to Rs. 500 crore from the Rs. 200 crore proposed earlier, according to the final directions on Basel III capital charge for credit risk under the standardised approach, which will be implemented from April 1, 2027. The RBI has also withdrawn the provision requiring higher risk weights for exposures that were previously rated but subsequently became unrated. For bank exposures, the RBI has discontinued the proposed SCRA-based grading framework for unrated exposures. Instead, it has prescribed a uniform risk weight of 100 per cent for long-term exposures and 50 per cent for short-term exposures. In the case of foreign bank branches in India, external credit ratings of the parent bank may be used to compute risk weights. The regulatory retail exposure framework has been expanded to include all small businesses, including non-micro, small, and medium enterprises, with turnover of up to Rs. 500 crore on a standalone or group basis. The exposure limit for classification under regulatory retail has been increased to Rs. 10 crore per counterparty from Rs. 7.5 crore earlier.

(Business Standard)



FINANCIAL TERMINOLOGY

WAGE DRIFT

- Wage drift is defined as the difference or change in the wage actually paid to a worker as compared to a locally negotiated wage. The increase could be due to several reasons such as overtime, bonus payment paid out by the company etc.
- Wage drift is the difference between the rates negotiated by a company and wages actually given to a worker by the end of a period. Due to uneven demand, the company at times asks employees to put in extra work hours to meet the demand. In that case, a company has to pay overtime to the workers on an hourly basis. Overtime would result in a higher wage given to an employee when compared with the one negotiated by a company at the beginning of the contracts. This is because the wage would now include the overtime component.



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 : 94.2168

INR / 1 GBP : 127.5287

INR / 1 EUR : 110.4654

INR /100 JPY: 59.1400

EQUITY MARKET

Sensex: 77303.63 (+639.42)

NIFTY: 24092.70 (+194.75)

Bnk NIFTY: 56264.30 (+174.55)

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TEAM BFSIB

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

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