

APAS MONTHLY - VOLUME 4

# APAS MONTHLY NEWSLETTER

—  
April 2026 Edition

**APAS**  
ashvin parekh advisory services

+91-22-4591-8000 | [info@ap-as.com](mailto:info@ap-as.com) | [www.ap-as.com](http://www.ap-as.com)

## EDITORIAL

In this issue, **Mr. B Prasanna** – Executive Director, Head Investment Banking and Equities, ICICI Securities Ltd has presented his thoughts on ‘**Institutions and the capital market: The way forward**’. We thank Mr. Prasanna for his contribution to the APAS Monthly.

This month, the APAS column covers ‘**Geopolitical Conflict and the Indian Economy: A Macroeconomic Assessment**’.

The economic indicators exhibited a mixed performance. Manufacturing PMI fell to 53.9 in March 2026 from 56.9 in February, slightly higher than preliminary estimates of 53.8. Services PMI was revised higher to 57.5 in March 2026 from 57.2 in the preliminary estimate and above expectations of 57.4, signaling a slower yet still solid expansion in the services sector. The infrastructure output in India fell by 0.4% annually in March of 2026 following the upwardly revised 2.8% increase in the previous month, reflecting the first period of contraction since October of the previous year and only the fourth monthly contraction since the start of 2021. India’s Industrial production rose by 4.1% from the previous year in March of 2026, slowing from the revised 5.1% expansion in February to reflect the slowest increase in five months, albeit beating expectations of a 3.7% expansion. India’s consumer price inflation rose to 3.4% in March of 2026 from 3.21% in the previous month to mark the largest inflation rate in over one year, despite coming below median market expectations of 3.48%. India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025).

The Reserve Bank of India issued the circular on Guidelines to facilitate faster cross-border inward payments. RBI has introduced its Medium-term Strategy Framework, Utkarsh 2029, for April 2026 to March 2029, building on the earlier Utkarsh 2.0 (2023–2025).

The Insurance Regulatory and Development Authority of India has directed insurers offering products on digital platforms to comply with the Central Consumer Protection Authority guidelines on preventing “dark patterns” (deceptive user interface practices), issued in November 2023.

Securities and Exchange Board of India granted a one-time relaxation from applying the LODR Master Circular provisions for non-compliance with the Minimum Public Shareholding (MPS) requirement, recognising market challenges. SEBI launched three IT platforms SUPCOMS, an e-adjudication portal, and Cyber-Sec Audit Compliance (C-SAC) to enhance ease of doing business by digitising regulatory processes and improving communication with market participants. SEBI relaxed key requirements for Not-for-Profit Organizations (NPOs) on the Social Stock Exchange (SSE) to improve participation and ease fundraising.

We hope that this APAS Monthly is insightful. We welcome your input and thoughts and encourage you to share them with us.

*Ashvin parekh*

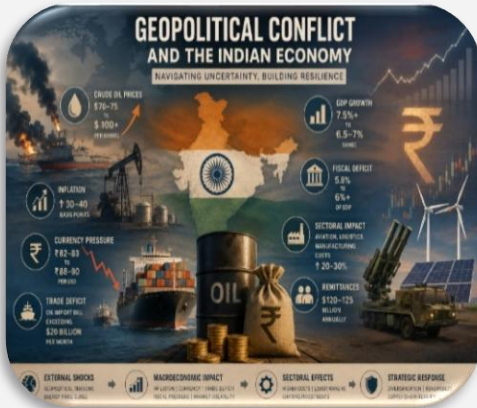
## On the Cover



### GUEST COLUMN

*Institutions and the capital market:  
The way forward*

**Mr. B Prasanna**  
**Executive Director, Head Investment  
Banking and Equities,**  
**ICICI Securities**



### APAS COLUMN

*Geopolitical Conflict and the Indian Economy: A Macroeconomic Assessment*



### ECONOMY

*Index of Industrial Production: Mar*

*Inflation update – Mar*

*PMI Update - Mar*

*Core Sector – Mar*

Countries	GDP		CPI		Current Account Balance	Budget Balance	Interes. Rates
	Latest	2023*	Latest	2023*	% of GDP, 2023*	% of GDP, 2023*	(10YGov), Latest
Brazil	3.4 Q2	3.1	4.6 Aug	4.7	-1.8	-7.6	12.1
Russia	4.9 Q2	-0.5	5.1 Aug	6.5	1.8	-3.8	11.8
India	7.8 Q2	6.5	6.8 Aug	5.5	-1.3	-5.9	7.2
China	6.3 Q2	5.2	0.1 Aug	0.8	1.8	-3.2	2.5
S Africa	1.6 Q2	0.5	4.8 Aug	5.7	-1.8	-5.7	10.8
USA	2.5 Q2	1.8	3.7 Aug	3.9	-2.9	-5.9	4.6
Canada	1.1 Q2	1.1	4.0 Aug	3.8	-0.4	-1.2	4.1
Mexico	3.6 Q2	2.4	4.6 Aug	5.3	-1.8	-3.4	10.1
Euro Area	0.5 Q2	0.8	5.2 Aug	5.5	2.3	-3.3	2.9
Germany	-0.1 Q2	-0.3	6.4 Aug	6.0	5.8	-2.2	2.9
Britain	0.4 Q2	0.3	6.7 Aug	6.8	-2.8	-4.2	4.3
Australia	2.1 Q2	1.6	6.0 Q2	5.6	1.7	0.3	4.4
Indonesia	5.2 Q2	5.0	3.3 Aug	3.8	0.7	-2.6	6.9
Malaysia	7.9 Q2	4.0	7.0 Aug	7.5	1.7	-5.0	1.0

## ECONOMIC DATA

### SNAPSHOT

[Global GDP, CPI, Current account balance, budget balance, Interest rates](#)



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[RBI releases Circular on Guidelines to facilitate faster cross-border inward payments](#)

[Utkarsh 2029 – Reserve Bank of India's Medium-term Strategy Framework for 2026-29](#)



## INSURANCE

[Compliance with Guidelines on Prevention and Regulation of Dark Patterns](#)



## CAPITAL MARKETS

[Relaxation from the applicability of SEBI Master Circular for compliance with the provisions of the SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015 on non-compliance with the Minimum Public Shareholding \(MPS\) requirements](#)

[Launch of various IT platforms by Chairman, SEBI to improve ease-of-doing business](#)

[Review of requirement relating to registration for a Not for Profit Organization on Social Stock Exchange and minimum subscription requirement for issuance of Zero Coupon Zero Principal Instruments](#)



## CAPITAL MARKETS

### SNAPSHOT

[CNX Nifty, BSE Sensex, India VIX, \\$/₹, GIND 10Y](#)



## GUEST COLUMN

**Mr. B Prasanna**  
**ICICI Securities Ltd**  
**Executive Director, Head Investment Banking**  
**and Equities**

### ***Institutions and the capital market: The way forward***

Today, India's capital markets find themselves at a peculiar crossroad: the long-term bullish story and 'demographic dividend' focus have given way to macro concerns amid volatility. The market appears to have given up hope on the near-term resumption of FPI flows. Will they resume? Will domestic flows sustain and support? Is the market healthy? Let me attempt to assess this.

#### **1. Background in 2025 from FPI perspective**

In 2025, foreign portfolio investors (FPIs) pulled out ~INR 1.6 lakh crore (USD 17.6bn), marking it as a historic year of outflows. Key concerns leading to this:

1. **Valuations.** Indian equities traded well above long-term averages and emerging market peers.
2. **Weak corporate performance** and the disconnect between high valuations and performance. The deceleration in corporate earnings growth in 2025 was unable to justify these valuations. Many FPIs started viewing the Indian market as 'priced to perfection.'
3. **Low nominal growth.** With inflation hitting new lows, India's nominal growth remained subdued, leading to lower credit and top-line growth. Equity markets are linked to nominal growth, leading to lower earnings expectations.
4. **Lack of trade deal.** India went from being the most favoured country with expectations of the lowest average tariff rates to one with among the highest, as the year progressed.
5. **Emergence of global alternatives.** India's overvaluation in the past had not prevented high levels of investment. What had changed last year was the emergence of 'attractive' alternatives. The 'China + 1' narrative shifted as investors looked toward Taiwan, South Korea and even China, which offered cheaper entry points into AI and semiconductor themes—sectors where India did not have actionable listed or emerging opportunities.
6. **Slide in INR.** While capital flows often drive the currency outlook, the cause-effect relationship appeared to reverse last year: currency outlook began to discourage capital flows. Depreciation wiped out local-currency returns from Indian equities and did not justify USD returns for investors.
7. **Low interest rate differentials** with the US and a high equity risk premium made the 'India carry trade' less attractive. High yields on US Treasury bonds made risk-adjusted returns of Indian equities look less compelling, leading to 'flight to safety'.

## 2. What's changed now in 2026 with Iran war?

Just before the Iran war began, expectations for India's nominal growth and corporate earnings were set to cross double digits again, and US was expected to extend the rate-easing cycle, making equities an attractive asset class. And then came the Iran war.

The closure of the Strait of Hormuz and disruptions to supply chains and infrastructure have raised macro concerns. Key questions now centre on when the Strait reopens, the extent of normalcy that follows, the time it will take to rebuild oil & gas infrastructure, and the trajectory of crude oil, gas, and their derived products.

High oil prices pose 'multiple threats' to India, given that our imported oil intensity is among the highest in the world:

1. **GDP growth:** Higher imports lead to lower GDP growth, both directly and indirectly. India's GDP growth could decline from a projected 6.9% to below 6%, depending on the duration of disruption.
2. **Inflation:** Every USD 10 rise in oil adds ~20-30bps to CPI. It raises transport, logistics, and manufacturing costs, leading to 'imported inflation'. This, of course, depends on the pass-through at the pump. But the indirect effect on other oil derivatives will also be effective. Estimates centre around 5-6% inflation by year-end.
3. **CAD:** A USD10 rise in oil prices could widen the CAD by ~USD 18bn, or ~0.4% of GDP.
4. **BOP:** A higher CAD could also drive foreign portfolio outflows. Most estimates peg BOP deficit at ~USD 30-40bn this year.
5. **Fiscal deficit:** India faces a trade-off between fiscal deficit and inflation. Absorbing higher prices could widen the deficit and constrain capex, while passing them on could raise inflation and lower consumption.

An impact across all these variables is negative. However, markets are forward discounting – can we look through this as a short-term disruption and focus on long-term positives?

## 3. Future for Indian capital markets – the equity 'floor'

The true story of India's capital markets post-COVID lies not in boardrooms, but in the millions of new demat accounts across tier-2/3 cities, and the rise in SIP contributions.

Unlike FPIs, which move capital based on global macro trends, SIP flows have proven to be 'sticky.' This 'democratisation of equity' has created a buffer against global volatility and transitioned DIIs from 'liquidity takers' to 'liquidity makers'.

This internal flow of capital—from Indian households to corporates via DIIs—is what keeps the market 'healthy,' even during global stress. It enables 'buying the dips', creating a floor for stock prices. It also adds stability and reduces emotional selling.

## 4. Have FPIs become dispensable in Indian capital markets?

The answer is clearly no. FPIs remain as important as DIIs.

1. FPI selling is not just about stocks; it is also about dollars, putting immense pressure on INR. A weaker INR could prevent further inflows, creating a vicious cycle. RBI cannot draw down reserves indefinitely and may be forced to make tough policy choices.
2. More than 2/3rd of investors have started their SIPs since COVID. If investors see flat-to-negative returns over 2–3 years, inflows could slow. If DII buying weakens while FPIs continue selling, then the market 'floor' could be impacted.

3. India is an emerging-market economy with a perennial CAD. Continued foreign inflows are essential. We need dollars!
4. Private equity ecosystem is the ‘invisible engine’ in this narrative. These investors build companies over 5–7 years in multiple sectors, and transition them to public markets. We need them to continue with this virtuous cycle of capital formation.

**Conclusion:**

India’s capital markets are undergoing a transition—from being a ‘satellite’ of global capital to becoming more ‘independent.’ However, for a developing economy, both engines must continue to fire.

One hopes that the geopolitical conflict subsides soon and that policy measures attract foreign capital, helping India regain its place under the sun.



## APAS COLUMN

### **Geopolitical Conflict and the Indian Economy: A Macroeconomic Assessment**

In an increasingly interconnected global economy, geopolitical conflicts no longer remain confined to national borders they transmit swiftly across trade routes, financial systems, and energy markets. For India, this interconnectedness presents both opportunity and vulnerability. As one of the world's fastest-growing major economies, India's growth story is closely tied to external stability, particularly in regions that supply critical resources such as crude oil. When geopolitical tensions escalate in these regions, the effects are not abstract they are felt directly through rising costs, shifting capital flows, and changing macroeconomic conditions.

India's economic structure makes it especially sensitive to such disruptions. With nearly 85% of its crude oil requirements met through imports, fluctuations in global energy markets have an immediate and widespread impact. The recent surge in crude oil prices from around \$70–75 per barrel to above \$100 per barrel during conflict phases illustrates how quickly external shocks can alter domestic economic dynamics. This increase does not operate in isolation; it sets off a chain reaction influencing inflation, currency stability, trade balances, and fiscal policy.

The effect on economic growth is gradual but significant. Higher energy prices raise production costs across industries, compress corporate margins, and reduce household disposable income. At the same time, global uncertainty dampens export demand. As a result, India's GDP growth, while still resilient, shows signs of moderation from levels above 7.5% toward the 6.5–7% range under sustained external pressure. The impact is not abrupt but accumulative, reflecting how persistent cost pressures and weakened demand can reshape growth momentum over time.

Inflation emerges as the most immediate channel of transmission. Energy costs feed directly into transportation, manufacturing, and agricultural supply chains, creating broad-based price increases. Even moderate increases in crude prices can push inflation upward by 30–40 basis points, particularly in an economy where food and fuel together form a substantial portion of household expenditure. The rise in fertilizer and logistics costs further amplifies food inflation, making the overall price environment more persistent and less responsive to short-term policy interventions.

Currency movements add another layer of complexity. As oil import bills rise, demand for foreign currency increases, putting pressure on the Indian rupee. The depreciation from ₹82–83 per USD toward ₹88–90 levels reflect this imbalance. While a weaker currency can theoretically support exports, in the current context of subdued global demand, it primarily contributes to imported inflation. This creates a reinforcing cycle where higher import costs lead to further economic strain.

External sector pressures become increasingly visible through widening trade deficits. The rise in oil import bills often exceeding \$20 billion per month during peak price periods outpaces export growth, leading to a higher current account deficit, now estimated at around 2–2.5% of GDP. This necessitates greater reliance on capital inflows, which are inherently volatile during periods of geopolitical uncertainty. Episodes of foreign capital outflows, sometimes in the range of \$8–10 billion, highlight the sensitivity of financial flows to global risk sentiment.

Fiscal pressures follow a similar trajectory. To cushion the impact of rising fuel prices on consumers, the government may reduce taxes or increase subsidies, particularly in sectors like fertilizers where costs have surged significantly. Such measures, while necessary to maintain economic stability, place upward pressure on the fiscal deficit, pushing it beyond targeted levels of 5.8% toward 6% or higher. This underscores the challenge of balancing fiscal discipline with economic support during periods of external stress.

At a sectoral level, the effects are both direct and uneven. Energy-intensive industries such as aviation and logistics experience immediate cost escalations, with fuel expenses rising by 20–30% in some cases. Manufacturing sectors face increased input costs, while consumer-facing industries adjust to shifting demand patterns. At the same time, structural shifts are evident, with increased policy focus and investment flowing toward renewable energy and domestic defence manufacturing, reflecting a strategic response to reduce long-term external dependence.

Financial markets mirror these macroeconomic adjustments. Periods of heightened geopolitical tension are typically associated with increased volatility, as investors reassess risk. Equity markets may witness corrections of 5–8%, while bond yields trend upward in response to inflationary expectations and increased government borrowing. These movements, though cyclical, influence broader investment sentiment and capital allocation decisions.

Remittance flows, which have reached approximately \$120–125 billion annually, provide an important stabilizing factor for India's external account. However, the concentration of Indian workers in geopolitically sensitive regions introduces an element of risk. Any slowdown in these economies could moderate remittance inflows, with potential implications for domestic consumption, particularly in remittance-dependent regions.

The evolving interaction between geopolitical developments and domestic economic variables highlights how external shocks are increasingly shaping internal outcomes. Rather than being episodic disruptions, such conflicts are gradually influencing structural priorities pushing India toward energy diversification, supply chain resilience, and a more cautious macroeconomic framework in an uncertain global environment.

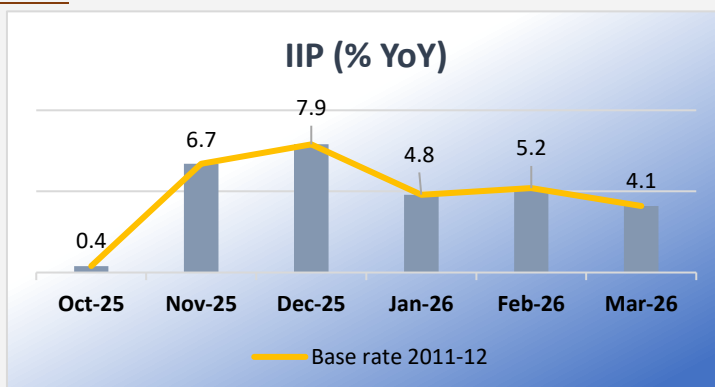


## ECONOMY

### IIP (Index of Industrial Production) – Mar

Industrial production in India rose by 4.1% from the previous year in March of 2026, slowing from the revised 5.1% expansion in February to reflect the slowest increase in five months, albeit beating expectations of a 3.7% expansion.

The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of March 2026 are 5.5 %, 4.3 % and 0.8 % respectively.

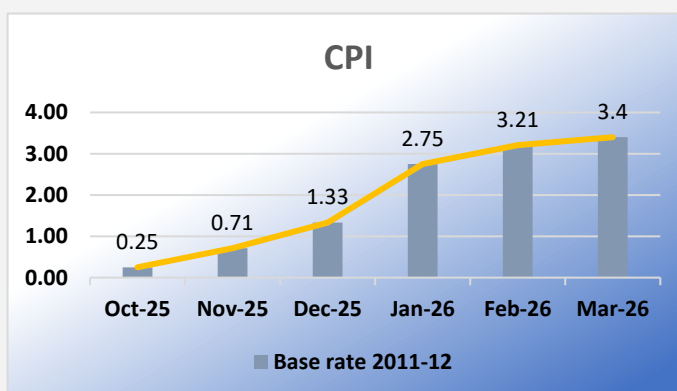


Source: APAS BRT, mospi.gov.in

The corresponding growth rates of IIP as per Use-based classification in March 2026 over March 2025 are 2.2 % in Primary goods, 14.6 % in Capital goods, 3.3 % in Intermediate goods, 6.7 % in Infrastructure/ Construction Goods, 5.3 % in Consumer durables and 1.1 % in Consumer non-durables. Based on use-based classification, top three positive contributors to the growth of IIP for the month of March 2026 are Infrastructure/ construction goods, Capital goods and Primary goods.

### CPI (Consumer Price Index) – Mar

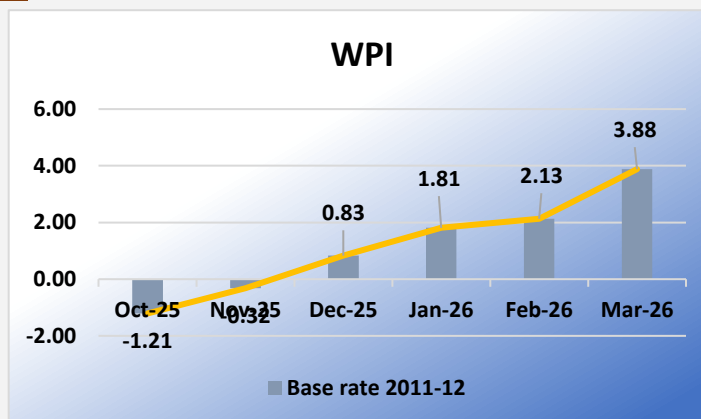
The annual inflation rate in India rose to 3.4% in March of 2026 from 3.21% in the previous month to mark the largest inflation rate in over one year, despite coming below median market expectations of 3.48%. It was only the third reading in India's new CPI, which updated the weights of different goods within the index according to the Household Consumption Expenditure Survey from two fiscal years ago, increasing the weight of non-food goods into the domestic consumer basket. Food inflation was at 3.87%, picking up from 3.47% in the previous month. In the meantime, inflation inched higher for restaurants and accommodation (2.88% vs 2.73% in February) and prices were unchanged for transportation (vs -0.05%), despite surges in wholesale global energy prices. From the previous month, Indian consumer prices rose by 0.26%.



Source: APAS BRT, eaindustry.nic.in

### WPI (Wholesale Price Index) – Mar

The Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.



Source: APAS BRT, eaindustry.nic.in

The month over month change in WPI for the month of March 2026 stood at 1.64 % as compared to February 2026.

The index for primary articles increased by 2.28 % from 192.9 (provisional) for the month of February 2026 to 197.3 (provisional) in March 2026. The Price of crude petroleum & natural gas (36.16 %) and minerals (0.12%) increased in March 2026 as compared to February 2026. The Price of food articles (0.85%) and non- food articles (-0.22 %) decreased in March 2026 as compared to February 2026.

Prices for Fuel & Power increased by 4.13 % from 147.6 (provisional) for the month of February 2026 to 153.7 (provisional) in March 2026. The Price of mineral oils (8.77 %) increased in March 2026 as compared to February 2026. The Price of electricity (-5.07%) decreased in March 2026 as compared to February 2026.

Prices for Manufacturing products increased by 0.88 % from 148.2 (provisional) for the month of February 2026 to 149.5 (provisional) in March 2026. Out of the 22 NIC two-digit groups for manufactured products, 16 groups witnessed an increase in prices, and 6 groups witnessed a decrease in prices. Some of the important groups that showed month-over-month increase in prices were manufacture of food products; chemicals and chemical products; basic metals; textiles and other manufacturing etc. some of the groups that witnessed a decrease in prices were manufacture of machinery and equipment; beverages; fabricated metal products, except machinery and equipment; computer, electronic and optical products and wearing apparel etc in march, 2026 as compared to February, 2026.

### Manufacturing PMI – Mar

The hsbc india manufacturing pmi fell to 53.9 in March 2026 from 56.9 in February, slightly higher than preliminary estimates of 53.8. This marked the weakest improvement in business conditions in nearly four years, as factory output and new orders rose at the slowest pace since mid-2022, weighed down by cost pressures, intense competition, and heightened market uncertainty amid the middle east conflict. Meanwhile, employment increased at the fastest rate in seven months as firms added staff, while input buying and inventories continued to

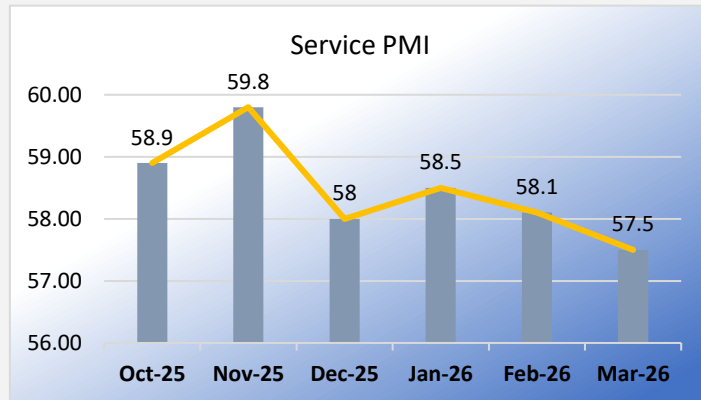


Source: tradingeconomics.com

expand, albeit at a slower pace. External sales also saw their strongest expansion since September 2025, supported by gains across multiple regions. On prices, input costs rose sharply to a 43-month high, but output price inflation remained modest, reflecting firms’ efforts to absorb higher expenses. Firms became more optimistic about production over the year, even as backlogs of work declined for the first time in nearly 18 months.

**Services PMI – Mar**

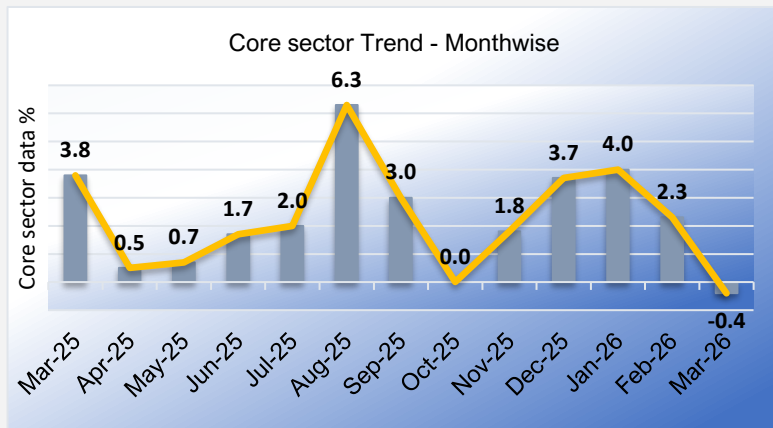
The HSBC India Services PMI was revised higher to 57.5 in March 2026 from 57.2 in the preliminary estimate and above expectations of 57.4, signalling a slower yet still solid expansion in the services sector. However, the latest reading marked the weakest growth since January 2025 and was below February’s 58.1, although demand remained resilient, led by new export orders, which rose at the fastest pace since mid-2024. While new business gains continued to drive growth, output was constrained by the impact of the Middle East war on demand and tourism. Employment increased, with job creation rising at the fastest pace since mid-2025. On prices, input price inflation accelerated to near its highest level in almost four years, driven by higher costs for chicken, cooking oil, eggs, electricity, fish, fruits, fuel, labour, meat, and vegetables. As a result, output price inflation rose to its highest level in seven months. Lastly, sentiment strengthened, alongside continued gains in employment.



Source: tradingeconomics.com

**Core Sector Data – Mar**

The combined Index of Eight Core Industries (ICI) declined by 0.4 % (provisional) in March 2026 as compared to the Index in March 2025. The production of Fertilizers, Crude Oil, Coal and Electricity recorded negative growth in March 2026. The ICI measures the combined and individual performance of production of eight core industries viz. Coal, Crude Oil, Natural Gas, Refinery Products, Fertilizers, Steel, Cement and Electricity. The Eight Core Industries comprise 40.27 % of the weight of items included in the Index of Industrial Production (IIP).



Source: APAS BRT, eaindustry.nic.in

The final growth rate of Index of Eight Core Industries for February 2026 was observed at 2.8 %. The cumulative growth rate of ICI during April to March, 2025-26 is 2.6 % (provisional) as compared to the corresponding period of last year.

The summary of the Index of Eight Core Industries is given below:

**Coal** - Coal production (weight: 10.33 %) decreased by 4.0 % in March 2026 over March 2025. Its cumulative index declined by 0.5 % during April to March, 2025-26 over corresponding period of the previous year.

**Crude Oil** - Crude Oil production (weight: 8.98 %) declined by 5.7 % in March 2026 over March 2025. Its cumulative index declined by 2.8 % during April to March, 2025-26 over corresponding period of the previous year.

**Natural Gas** - Natural Gas production (weight: 6.88 %) increased by 6.4 % in March 2026 over March 2025. Its cumulative index declined by 2.8 % during April to March, 2025-26 over corresponding period of the previous year.

**Petroleum Refinery Products** - Petroleum Refinery production (weight: 28.04 %) increased by 0.1 % in March 2026 over March 2025. Its cumulative index declined by 0.1 % during April to March, 2025-26 over corresponding period of the previous year.

**Fertilizers** - Fertilizer production (weight: 2.63 %) declined by 24.6 % in March 2026 over March 2025. Its cumulative index declined by 0.1 % during April to March, 2025-26 over corresponding period of the previous year.

**Steel** - Steel production (weight: 17.92 %) increased by 2.2 % in March 2026 over March 2025. Its cumulative index increased by 9.1 % during April to March, 2025-26 over corresponding period of the previous year.

**Cement** - Cement production (weight: 5.37 %) increased by 4.0 % in March 2026 over March 2025. Its cumulative index increased by 8.6 % during April to March, 2025-26 over corresponding period of the previous year.

**Electricity** - Electricity generation (weight: 19.85 %) declined by 0.5 % in March 2026 over March 2025. Its cumulative index increased by 0.9 % during April to March, 2025-26 over corresponding period of the previous year.

Countries	GDP		CPI		Current Account Balance	Budget Balance	Interest Rates
	Latest	2023*	Latest	2023*	% of GDP, 2023*	% of GDP, 2023*	(10YGov), Latest
Brazil	3.4 Q2	3.1	4.6 Aug	4.7	-1.8	-7.6	12.1
Russia	4.9 Q2	-0.5	5.1 Aug	6.5	1.8	-3.8	11.8
India	7.8 Q2	6.5	6.8 Aug	5.5	-1.3	-5.9	7.2
China	6.3 Q2	5.2	0.1 Aug	0.8	1.8	-3.2	2.5
S Africa	1.6 Q2	0.5	4.8 Aug	5.7	-1.8	-5.7	10.8
USA	2.5 Q2	1.8	3.7 Aug	3.9	-2.9	-5.9	4.6
Canada	1.1 Q2	1.1	4.0 Aug	3.8	-0.4	-1.2	4.1
Mexico	3.6 Q2	2.4	4.6 Aug	5.3	-1.8	-3.4	10.1
Euro Area	0.5 Q2	0.8	5.2 Aug	5.5	2.1	-3.3	2.9
Germany	-0.1 Q2	-0.3	6.4 Aug	6.0	5.8	-2.2	2.9
Britain	0.4 Q2	0.3	6.7 Aug	6.8	-2.8	-4.2	4.3
Australia	2.1 Q2	1.6	6.0 Q2	5.6	1.7	0.3	4.4
Indonesia	5.2 Q2	5.0	3.3 Aug	3.8	0.7	2.6	6.9
Malaysia	2.9 Q2	4.0	2.0 Aug	2.5	1.7	5.0	4.0
Singapore	0.5 Q2	1.0	4.0 Aug	4.3	18.8	-0.7	3.4
Korea	0.9 Q2	1.3	3.4 Aug	3.0	1.6	2.7	5.1

## ECONOMIC DATA SNAPSHOT

Countries	GDP (% change on year ago)		CPI (%change on year ago)		Current Account Balance % of GDP, 2026*	Budget Balance % of GDP, 2026*	Interest Rates 10-yr gov't bonds latest,%
	Latest	2026*	Latest	2026*			
Brazil	1.8 Q4	1.8	4.1 Mar	4.5	-2.6	-7.1	13.8
Russia	1.0 Q4	1.5	5.9 Mar	5.7	2.6	-2.4	14.7
India	7.8 Q4	6.5	3.4 Mar	4.8	-1.3	-4.5	7.0
China	5.0 Q1	4.6	1.0 Mar	1.3	3.5	-5.8	1.5
S Africa	0.8 Q4	1.6	3.0 Mar	3.9	-1.4	-4.2	8.9
USA	2.0 Q4	2.1	3.3 Mar	3.8	-3.5	-6.6	4.4
Canada	0.7 Q4	1.2	2.4 Mar	2.9	-0.5	-2.2	3.5
Mexico	1.8 Q4	1.5	4.6 Mar	3.9	-0.5	-3.8	9.1
Euro Area	1.2 Q4	1.1	2.6 Mar	2.5	2.5	-3.4	3.1
Germany	0.4 Q4	0.8	2.9 Apr	2.9	4.1	-3.8	3.1
Britain	1.0 Q4	1.0	3.3 Mar	3.2	-3.8	-5.1	4.9
Australia	2.6 Q4	2.1	4.6 Mar	4.3	-1.9	-1.6	5.0
Indonesia	5.4 Q4	5.2	3.5 Mar	3.3	-0.5	-3.5	6.9
Malaysia	5.3 Q1	4.7	1.7 Mar	2.2	2.6	-4.1	3.6
Singapore	4.6 Q1	2.4	1.8 Mar	2.3	16.5	0.8	2.1
S Korea	3.6 Q1	2.1	2.2 Mar	2.4	4.7	-3.0	3.8



## BANKING

### **RBI releases Circular on Guidelines to facilitate faster cross-border inward payments**

The Reserve Bank of India today issued the circular on Guidelines to facilitate faster cross-border inward payments.

The RBI had issued a draft circular on the subject on October 29, 2025, seeking feedback from stakeholders. Feedback received on the draft circular has been examined and consequent modifications have been suitably incorporated in the final circular. Statement on the major feedback received on the draft circular is provided in the Annex.

This circular is intended to address certain frictions identified in inward cross-border payments to facilitate the timely intimation of payment information and crediting of funds to the beneficiary's account.

### **Utkarsh 2029 – Reserve Bank of India's Medium-term Strategy Framework for 2026-29**

The Reserve Bank of India has introduced its Medium-term Strategy Framework, Utkarsh 2029, for April 2026 to March 2029, building on the earlier Utkarsh 2.0 (2023–2025). This new framework outlines the RBI's strategic direction through six key pillars—robust regulations, customer-centric and inclusive finance, competitive markets, effective technology, a future-ready organisation, and positioning India globally. Each pillar focuses on forward-looking, medium-term goals, while the RBI's routine functions will continue through departmental Annual Action Plans. The implementation and progress of this strategy will be closely monitored by a Sub-committee of the Central Board, reflecting the RBI's strong emphasis on structured, long-term planning.



## INSURANCE

### **Compliance with Guidelines on Prevention and Regulation of Dark Patterns**

The Insurance Regulatory and Development Authority of India has directed insurers offering products on digital platforms to comply with the Central Consumer Protection Authority guidelines on preventing “dark patterns” (deceptive user interface practices), issued in November 2023. This aligns with a wider regulatory push, including concerns raised by the Reserve Bank of India, to curb misleading digital tactics in the financial sector. IRDAI has asked regulated entities to conduct a self-assessment of compliance and submit a report within 15 days, and where gaps exist, to provide a time-bound action plan within one month to eliminate such practices.



## CAPITAL MARKET

### **Relaxation from the applicability of SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on non-compliance with the Minimum Public Shareholding (MPS) requirements**

SEBI, via its April 7, 2026 circular, granted a one-time relaxation from applying the LODR Master Circular provisions for non-compliance with the Minimum Public Shareholding (MPS) requirement, recognising market challenges. The relaxation covers listed entities whose compliance deadline falls between April 1 and September 30, 2026, during which penal actions (including those already initiated) are to be suspended/withdrawn. This aims to avoid unfair penalisation where companies are unable to dilute promoter holdings due to adverse market conditions, while still expecting eventual compliance.

### **Launch of various IT platforms by Chairman, SEBI to improve ease-of-doing business**

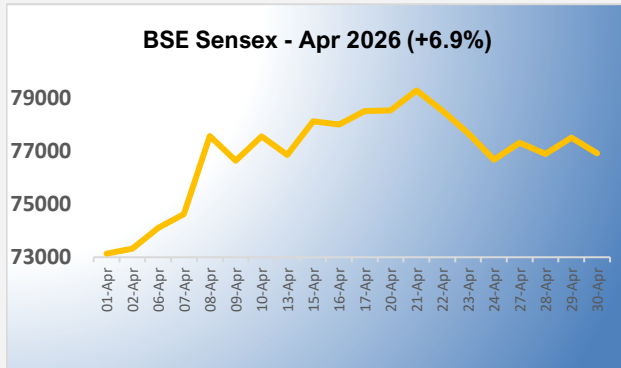
SEBI (on April 10, 2026) launched three IT platforms SUPCOMS, an e-adjudication portal, and Cyber-Sec Audit Compliance (C-SAC) to enhance ease of doing business by digitising regulatory processes and improving communication with market participants. These platforms enable online interactions, document access, and virtual hearings, making quasi-judicial proceedings more transparent and efficient. They also strengthen cybersecurity oversight through automated analysis and risk identification, while reducing manual effort and delays. Overall, the initiative reflects SEBI's push toward technology-driven regulation, faster processes, and greater transparency in the capital markets ecosystem.

### **Review of requirement relating to registration for a Not for Profit Organization on Social Stock Exchange and minimum subscription requirement for issuance of Zero Coupon Zero Principal Instruments**

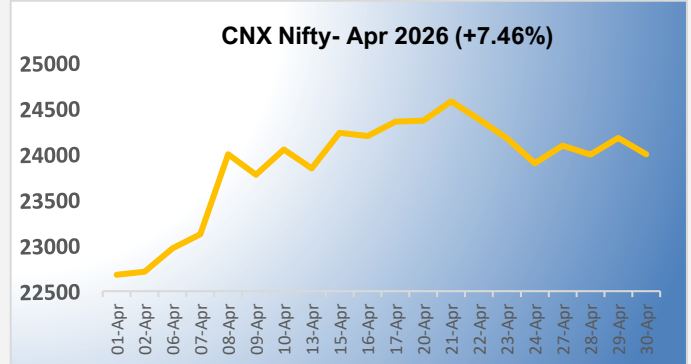
SEBI, through its April 15, 2026 circular, relaxed key requirements for Not-for-Profit Organizations (NPOs) on the Social Stock Exchange (SSE) to improve participation and ease fundraising. It extended the registration validity from 2 years to up to 3 years, allowing NPOs to remain listed without immediately raising funds, subject to exchange approval. Additionally, the minimum subscription requirement for Zero Coupon Zero Principal (ZCZP) instruments was reduced (e.g., to 50%), enabling partial fundraising with adequate due diligence. Overall, the changes aim to reduce entry barriers, address practical challenges, and deepen social capital markets while maintaining safeguards.



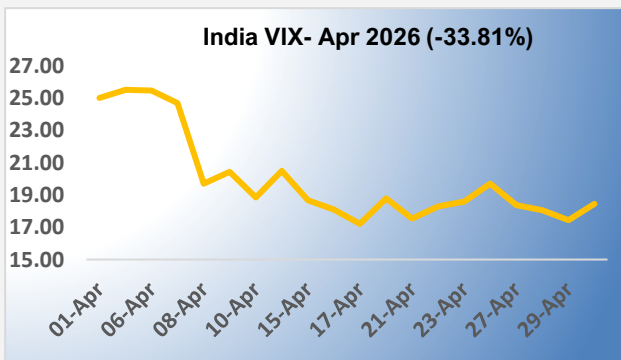
## CAPITAL MARKET SNAPSHOT



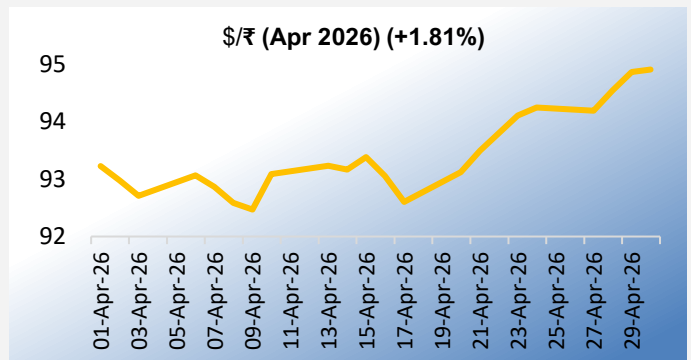
Sources: Bombay Stock Exchange



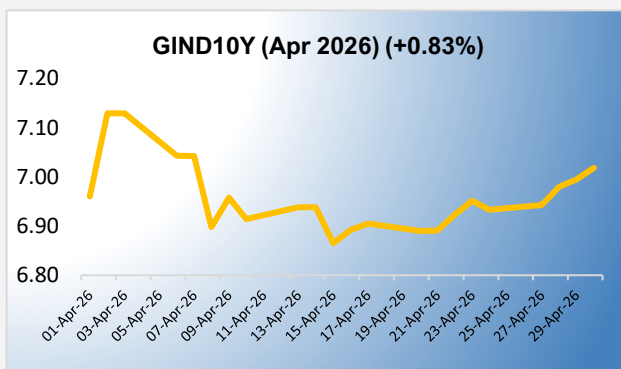
Sources: National Stock Exchange



Source: National Stock Exchange



Sources: APAS Business Research Team



Sources: APAS Business Research Team

Equity markets staged a strong rebound in April 2026, recovering sharply after the steep selloff in March. The BSE Sensex rose 6.90%, while the Nifty 50 gained 7.46%. Broader markets outperformed, with the Nifty Midcap 150 surging 10.73% and the Nifty Smallcap 250 jumping 13.44%. The volatility index (VIX) fell 33.81%, showing a clear easing in market stress and a return of risk appetite.

Sentiment improved as investors stepped in after the prior month's correction, supported by bargain buying and a stronger breadth in the market. Mid- and small-cap segments led the recovery, suggesting renewed interest in higher-beta stocks as volatility cooled. Overall, April 2026 marked a broad-based relief rally, with domestic equities regaining momentum and confidence improving across market segments.

## ABOUT APAS

APAS is an advisory management firm specializing in banking, financial services, and the insurance space. APAS assists business leaders of some of the leading domestic and global organizations, acting as an extended arm to the management in coping with the ever changing internal and external dynamics. Leveraging deep business insights APAS develops business and operational strategy for its clients. APAS provides transaction advisory services (Buy, sell and merge), and also specializes in governance and board training. APAS facilitates investors and sellers with directional guidelines of pursuing transactions, by utilizing subject knowledge, vast experience, and deep market outreach. APAS has capability to identify and analyze key transaction drivers, recognize possible partnerships, and initiate discussions with them for possible growth opportunity. We help major insurance companies, payment institutions, and other financial organizations to identify their growth potential, innovative opportunity, and possible benefits of consolidation, and hence comprehend the possible merger or acquisition. Buying or selling a major asset or a business, undertaking a merger, or performing an IPO can be risky and complex especially in this globalization era. Hence, the need of a trusted advisor who can help clients preserve, create and enhance value in transactions.

**Contact Us: 022-6789 1000**

[info@ap-as.com](mailto:info@ap-as.com)

[www.ap-as.com](http://www.ap-as.com)

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