



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

DAILY NEWS DIGEST BY BFSI BOARD

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ECONOMY

Trump's 25% tariffs to hit Indian goods after Oct 5; \$20 billion at risk, \$30 billion temporarily spared: The US on July 31 released an executive order on modifications to reciprocal tariffs, formalising a 25-percent duty on Indian goods over and above the Most Favoured Nation (MFN) rates. Although these higher rates for Indian goods are effective from August 1, as per the order, they will not be applicable for those shipments already in transit before August 7 and are scheduled to arrive by October 5. This means that most of the Indian goods which are in transit can continue paying duties at the earlier rates of 10-percent, and will face Trump's 25-percent after October 5. The executive order mentions that tariffs may be reduced once countries conclude a deal with the US. India and US continue to negotiate the terms of a Bilateral Trade Agreement (BTA), which is aimed to be concluded by Fall of this year.

(Moneycontrol)

US job growth slumps amid Trump's tariff turbulence: US hiring is slowing sharply as President Donald Trump's erratic and radical trade policies paralyse businesses and raise doubts about the outlook for the world's largest economy. US employers added just 73,000 jobs last month, the Labor Department reported Friday, well short of the 115,000 expected. Worse, revisions shaved a stunning 258,000 jobs off May and June payrolls. And the unemployment rate ticked higher to 4.2% as Americans dropped out of the labour force and the ranks of the unemployed rose by 221,000.

(Business Line)

Federal Reserve Governor Kugler resigns, giving Trump key vacancy to fill: The Federal Reserve announced Friday that governor Adriana Kugler will step down next week, opening up a spot on the central bank's powerful board that President Donald Trump will be able to fill. Kugler, who did not participate in the Fed's policy meeting earlier this week, would have completed her term in January. Instead, she will retire August 8. She did not provide a reason for stepping down in her resignation letter. Trump has continued his attacks on the Fed since chair Jerome Powell said Wednesday that the central bank would keep its short-term interest rate unchanged.

(Business Line)



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India's manufacturing PMI hits 16-month high at 59.1 in July on high demand: India's manufacturing sector grew sharply in July, with the HSBC India Manufacturing Purchasing Managers' Index (PMI) climbing to a 16-month high of 59.1, up from 58.4 in June, according to data released by S&P Global on Friday. The improvement was driven by strong gains in new orders and output, though business sentiment and hiring momentum showed signs of weakness.

(Business Line)

BANKING & FINANCE



Quant Mutual Fund launches India's first Long-Short Fund under SEBI's SIF category: Quant Mutual Fund has received regulatory approval from the Securities and Exchange Board of India (SEBI) to launch the country's first long-short equity mutual fund under the Specialised Investment Fund (SIF) category. The fund, named Quant SIF (QSIF), marks a significant milestone in the evolution of India's asset management landscape, introducing complex, hedge-fund-like strategies to the mutual fund ecosystem. The launch comes after SEBI rolled out the SIF framework on April 1, 2025, aiming to bridge the gap between traditional mutual funds and Portfolio Management Services (PMS). Unlike standard mutual funds, which primarily take long-only equity positions, the QSIF will allow fund managers to go long on stocks they expect to rise and short those likely to fall—a strategy typically reserved for more seasoned and high-risk investment platforms.

(Business Today)

NSE pays ₹40.35 crore to settle data-leak case with SEBI: The National Stock Exchange (NSE) has agreed to pay ₹40.35 crore to settle charges of indirectly sharing sensitive, unpublished information with external parties with SEBI. The settlement, by neither "admitting nor denying the findings of facts and conclusions of law," could help the country's largest stock exchange move closer to reviving its long-pending IPO plans. The case involves the sharing of confidential company announcements before they were made public. SEBI found that between February 2021 and March 2022, NSE allowed sensitive data to be passed on to a third-party vendor and its subsidiary, NSE Data & Analytics (NDAL), without a formal agreement in place. This subsidiary then disseminated the data to its clients, violating insider trading rules.

(Business Line)

India Post Payments Bank starts Aadhaar-based face authentication for digital banking: India Post Payments Bank has launched a nationwide Aadhaar-based face authentication for customer transactions, enhancing security and convenience, especially for elderly and differently-abled individuals. This feature, developed under UIDAI, allows banking transactions via facial recognition,



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eliminating the need for fingerprints or OTPs. It ensures financial inclusion by addressing limitations in biometric verification and enabling safe banking during health emergencies.

(Economic Times)

Car loans race past housing loans in Q1, marking an unfamiliar turn for Indian banking:

According to recent data from the Reserve Bank of India (RBI), Indian banks added Rs 2.4 lakh crore to their loan portfolios between April and June. Of this total, a significant portion, nearly two-thirds, was attributed to home loans, vehicle loans, and loans against gold jewellery. Despite its historical dominance in retail lending, housing finance has experienced a slowdown.

(Economic Times)

Focus GenNext: State Bank of India looks to reboot its HR strategy: India's biggest lender and one of its largest employers could soon be using artificial intelligence (AI) to aid its hiring practices, right from screening candidates to onboarding new employees, and is looking to devise a life cycle-based framework with a skill upgrader pathway to keep them engaged through their working careers. A generational and aspirational shift in its employee base, along with the rapid rise of digital banking, is compelling the State Bank of India (SBI) to relook at its Human Resource (HR) management practices and build a 'future ready' organisation with a rich talent pool.

(Economic Times)

INDUSTRY OUTLOOK



TCS assures labour ministry on job offers: Tata Consultancy Services (TCS) has assured the ministry of labour that it remains committed to honouring all job offers it has made, even as it faces delays in onboarding due to global market challenges. The IT major submitted its response via email to the chief labour commissioner (CLC), citing deferred client projects as the reason behind the hold-up in inducting new hires. The labour ministry had sought clarity from TCS following a complaint by tech employees' union Nascent Information Technology Employees Senate (NITES), which flagged delayed onboarding for around 600 lateral hires and raised concerns about the company's proposed plan to lay off 12,000 employees in the coming months. Although a representative from NITES attended the meeting convened by the CLC, TCS chose to submit its reply in writing.

(Financial Express)

BHASKAR platform facilitates collaboration among startups and ecosystem stakeholders: he Bharat Startup Knowledge Access Registry (BHASKAR) enables collaboration among the entrepreneurial ecosystem including startups. 1,97,932 entities are registered under the 'startup' category on BHASKAR as on 30th June 2025. The State/Union Territory (UT) wise details are placed



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as Annexure-I. BHASKAR currently is in pilot phase wherein key features are being tested including peer-to-peer interaction, partnerships, and collaborative engagements, generation of unique personalized identification for stakeholder categories and integration of microsites in place for implementation of various Schemes under Startup India. The Government is undertaking various outreach and awareness measures for BHASKAR across States/UTs to understand the requirement and experience of key user stakeholders including small and micro-enterprises. Such measures, include specific outreach to States/UTs, information sessions in workshops and events, and propagation through various social media platforms.

(PiB)

Donald Trump tariff impact: Banks likely to tighten lending to MSMEs: Banks may adopt a risk-averse approach and slow down fresh lending to export-oriented micro, small, and medium enterprises (MSMEs) to avoid stress in their portfolios after the US imposed a 25 per cent tariff on goods imported from India. Lenders may also ask for more collateral when extending credit to this segment, they added. The asset quality of the MSME sector has remained stable so far. MSME lending outpaced credit growth in the retail and services sectors in FY25, rising by 14.1 per cent amid an overall decline in bank credit.

(Business Standard)



REGULATION & DEVELOPMENT

SEBI proposes including QIBs, select FPIs as strategic investors in REITs, InvITs: The Securities and Exchange Board of India (SEBI) has floated a proposal to expand the definition of "strategic investors" in Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) to include qualified institutional buyers (QIBs) and certain categories of foreign portfolio investors (FPIs). In a consultation paper released on Friday, SEBI suggested amending the REIT and InvIT regulations to allow entities already recognised as QIBs under the SEBI (Issue of Capital and Disclosure Requirements) Regulations to qualify as strategic investors in these vehicles. The move is aimed at deepening the investor base and improving the ease of capital raising for infrastructure and real estate trusts.

(Business Today)

New national agriculture policy: Ministry has identified following integrated strategy for comprehensive growth of agriculture sector:

- (i) Increase crop production/ productivity
- (ii) Reduce cost of production
- (iii) Remunerative prices for farmer's produce to enhance their incomes.



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(iv) Agricultural diversification

(v) Developing post-harvest value addition infrastructure.

(vi) Adaptation to climate change for sustainable agriculture and mitigate against crop losses.

The Gross Value Added (GVA) agricultural growth rate in Agriculture & allied sector in 2024-25 over 2023-24 is 4.6%, as per provisional estimate of Ministry of Statistics and Programme Implementation.

(PiB)

PSBs face FinMin heat over delay in release of customers' property docs: Ministry of Finance has chided PSBs for failing to promptly release property documents to customers who have repaid loans, calling the lenders' conduct "unsatisfactory", according to a senior official. The backlog of such cases reduced from 29,500 in August 2024 to 20,800 in February 2025. "The delays are a breach of customer trust, so the finance ministry has directed PSBs to fix accountability, and ensure faster release of pledged assets, warning that such lapses damage the public image of PSBs," said the official on condition of anonymity.

(Business Standard)



FINANCIAL TERMINOLOGY

PROVISION UNDER NPFAM

- ❖ Agriculture Marketing is a state subject. Different States have established the Agriculture Produce Market Committees (APMCs) as per local needs to support farmers, including small and marginal farmers.
- ❖ Every year, Government fixes MSP for 22 mandated agricultural crops, based on the recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned. Government had increased MSP for all mandated Kharif, Rabi and other Commercial crops with a minimum return of 50 percent over all India weighted average cost of production from 2018-19 onwards.
- ❖ During 2014-15 to 2024-25 (upto 30.06.2025) Government has procured 315.19 LMT agricultural produce (oil seeds, pulses and Copera) in respect of worth Rs.1,69,980.90 crore from farmers. Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA) is also being implemented to ensure remunerative prices for farmers, particularly for pulses, oilseeds and copra, through the scheme components of Price Support System (PSS) and Price Deficiency Payment System (PDPS).



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RBI KEY RATES

Repo Rate: 5.50%

SDF: 5.25%

MSF & Bank Rate: 5.75%

CRR: 4.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 87.3519

INR / 1 GBP : 115.3394

INR / 1 EUR : 99.8828

INR /100 JPY: 58.0400

EQUITY MARKET

Sensex: 80599.91 (-585.67)

NIFTY: 24565.35 (-203.00)

Bnk NIFTY: 55617.60 (-344.35)

Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
- ❖ Certificate Course on Credit Management of Banks
- ❖ Certificate Course on Treasury and International Banking
- ❖ Certificate Course on Investment Management
- ❖ Certificate Course on General Insurance.
- ❖ Advance Certificate Course on FinTech

For details please visit
BFSIB portal of the ICMAI

Publications by BFSI Board

- ❖ Aide Memoire on Infrastructure Financing.
- ❖ 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 2nd Edition)

TEAM BFSIB

Banking, Financial Services & Insurance Board
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