



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

09 August 2025



ECONOMY

Sensex crashes 765 points as Trump's 50% tariff shock triggers sixth straight weekly loss:

Markets plummeted to three-month lows on Friday as President Donald Trump's decision to double tariffs on Indian goods to 50 per cent effective August 27 sent shockwaves through investor sentiment. The BSE Sensex crashed 765.47 points or 0.95 per cent to close at 79,857.79, falling below the psychologically important 80,000 mark, while the Nifty 50 tanked 232.85 points or 0.95 per cent to settle at 24,363.30.

(Business Line)

Moody's warns US tariffs may hurt India's manufacturing push, slow growth:

US President Donald Trump's steep 50 per cent tariffs on Indian imports could severely undermine India's manufacturing ambitions and slow economic growth, Moody's Ratings said on Friday. Trump imposed an additional 25 per cent tariff on Indian goods on Wednesday, citing New Delhi's continued purchases of Russian crude oil, taking the total tariff to 50 per cent — far higher than those levied on other Asia-Pacific countries. Moody's said India's real GDP growth may slow by around 0.3 percentage points from its current forecast of 6.3 per cent for the fiscal year ending March 2026.

(Business Line)

India's forex reserves down by \$9.32 billion to \$688.87 billion as of August 1:

India's foreign exchange reserves saw a decline. The Reserve Bank of India data showed a \$9.32 billion drop. The total reserves reached \$688.87 billion for the week ending August 1. Foreign currency assets also decreased. Gold holdings experienced a fall. Special Drawing Rights noted a drop. India's reserve position with the International Monetary Fund decreased during this period.

(Economic Times)



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BANKING & FINANCE



SBI Q1 net profit jumps 12.5% y-o-y to ₹19,160 crore: Country's largest lender State Bank of India (SBI) on Friday reported 12.5 per cent year-on-year (y-o-y) and 3 per cent quarter-on-quarter (q-o-q) rise in net profit for the quarter ended June at ₹19,160 crore, primarily led by strong other income growth. The lender's non-interest income which consists of treasury gains, fees from third-party services, among others, rose 55 per cent y-o-y to ₹17,346 crore. SBI's overall advances and deposits rose by 12 per cent y-o-y each to ₹42.54 lakh crore and 54.73 lakh crore in Q1, respectively. Asset quality improved with gross and net NPA falling by 38 basis points (bps) and 10 bps YoY to 1.83 per cent and 0.47 per cent in Q1, respectively.

(Business Line)

RBI proposes to penalise banks for delaying claims: The Reserve Bank of India's draft circular released late on Wednesday proposes to significantly ease the claim settlement process following death of an account holder. The proposed guidelines, applicable to all commercial banks and co-operative banks, cover deposit accounts, lockers and articles in safe custody. Banks must release funds to nominees or surviving account holders without insisting on legal documents like succession certificates or probate, provided there is no will, court order or dispute, the circular said. The nominee must submit a claim form, the death certificate, and a valid identification document. In cases of delay attributable to the bank, compensation shall be paid to claimants by the bank in the form of interest, at a rate not less than the prevailing bank rate + 4% per annum, on the settlement amount due for the period of delay. In cases of delay in processing claims with regard to safe deposit locker or articles in safe custody, the bank shall be required to pay compensation at the rate of Rs 5,000 for each day of delay. They will also be required to settle claims within 15 days of receiving complete documentation.

(Financial Express)

RBI mandates AU Small Finance Bank promoter to shift stake for universal licence: AU Small Finance Bank is set to become a universal bank, pending promoter Sanjay Agarwal's transfer of his 22% stake to a holding company within 18 months. This transition, a condition for the license, allows Agarwal to explore other financial services. The bank aims to reduce geographic concentration and focus on retail loans, leveraging its strengths in the NBFC space.

(Economic Times)

PSU banks, led by SBI, log Rs 44,218 crore profit in Q1, up 11% YoY: Public sector banks (PSBs), led by the State Bank of India (SBI), posted a record combined profit of Rs 44,218 crore in



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the first quarter of the current fiscal year, marking an 11% year-on-year growth. According to figures disclosed to the stock exchanges, the 12 PSBs had together earned Rs 39,974 crore in the June quarter of FY25, meaning profits rose by Rs 4,244 crore in absolute terms.

(Economic Times)

Axis Bank launches new feature 'Lock FD' to curb digital fraud: Axis Bank has launched a new feature that allows customers to lock fixed deposits (FDs). Referred to as 'Lock FD', this initiative is designed to protect customers' term deposits from the increasing risk of digital fraud. This new option, available on the bank's mobile app Open and at all Axis Bank branches, safeguards against the premature closure of fixed deposits through digital channels, adding an extra layer of security. Once a customer activates 'Lock FD', the option to close their fixed deposit prematurely via mobile banking or internet banking will be disabled. The only way to close a locked FD is by visiting an Axis Bank branch, where the customer must complete in-person verification and identity checks.

(Economic Times)

INDUSTRY OUTLOOK



Cabinet approves Rs 30,000 crore as compensation to Public Sector Oil Marketing Companies for losses in Domestic LPG: The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi, has approved compensation amounting to Rs.30,000 crore to the three Public Sector Oil Marketing Companies (IOCL, BPCL & HPCL) for the under- recoveries incurred on sale of domestic LPG. The distribution of the compensation within the OMCs will be done by the Ministry of Petroleum and Natural Gas. The compensation will be paid in twelve tranches.

(PiB)

Supreme Court classifies telecom towers as movable property for GST, upholding Delhi HC ruling: The Supreme Court on Friday upheld the Delhi High Court's decision to categorise telecom tower as movable property under the GST law. This is likely to strengthen Bharti Airtel's claim for input tax credit (ITC) to develop infrastructure. "Their placement on concrete bases was only to enable those towers to overcome the vagaries of nature. Therefore, there cannot possibly be a doubt with respect to telecommunication towers being movable property," the Court held.

(Business Line)

Air India raises pilots' retirement age to 65, non-flying staff to 60: Air India has decided to increase the retirement age for pilots to 65 years and for non-flying staff to 60 years, sources said on Friday. At present, the retirement age for both pilots and non-flying staff at the airline is 58 years. The announcement about increasing the superannuation age was made at the airline's townhall



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addressed by CEO and MD Campbell Wilson, the sources said. Air India pilots' retirement age will be increased to 65 years and that of non-flying staff will be raised to 60 years, a move that will also bring their superannuation age at par with erstwhile Vistara.

(Economic Times)



REGULATION & DEVELOPMENT

Cabinet approves continuation of Targeted Subsidy for Pradhan Mantri Ujjwala Yojana Consumers for 2025-26 at Rs 12,000 crore: The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi, has approved the targeted subsidy of Rs.300 per 14.2 kg cylinder for up to 9 refills per year (and proportionately pro-rated for 5 kg cylinder) to the beneficiaries of Pradhan Mantri Ujjwala Yojana (PMUY) during FY 2025-26 at an expenditure of Rs 12,000 crore.

(Business Standard)

Government e Marketplace marks 9th Foundation Day; records ₹5.4 lakh crore GMV in FY 2024–25: Government e Marketplace (GeM) celebrated its 9th Foundation Day. Launched in 2016 to promote transparent, inclusive and efficient public procurement in line with the Prime Minister's vision of "Minimum Government, Maximum Governance," the platform has grown into a digital procurement system connecting sellers and service providers across the country, including women entrepreneurs, startups, micro and small enterprises (MSEs), artisans, self-help groups (SHGs) and Divyangjans. In FY 2024–25, it recorded transactions worth ₹5.4 lakh crore in Gross Merchandise Value (GMV). This year's Foundation Day celebration were held on the theme Ease, Access and Inclusion. Key reforms announced include the elimination of caution money for sellers, rationalisation of vendor assessment fees and a reduction in transaction charges, resulting in exemption for 97 per cent of orders. These measures are aimed at making public procurement more accessible and equitable.

(PiB)

Govt withdraws I-T Bill from LS, a fresh Bill to be introduced on Monday: The government on Friday withdrew the Income Tax Bill, 2025 from the Lok Sabha with the Finance Minister Nirmala Sitharaman informing the MPs that a fresh Bill will be introduced after incorporating the necessary tweaks in drafting to convey the correct legislative meaning. Sources said the bill will be introduced on August 11. A fresh Bill would be introduced in the Lok Sabha in due course which would replace the Income-tax Act, 1961.

(Business Standard)



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FINANCIAL TERMINOLOGY

INDEX OF INDUSTRIAL PRODUCTION (IIP)

- ❖ The Index of Industrial Production (IIP) is a composite indicator that measures the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period. In India, the first official attempt to compute the Index of Industrial Production (IIP) was made much earlier than the first recommendation on the subject came at the international level. With the inception of the Central Statistical Organization (now known as National Statistics Office (NSO)) in 1951, the responsibility for compilation and publication of IIP was vested with it.
- ❖ In India, the eight core industries account for 40.27 per cent of the weighting of items included in the Index of Industrial Production (IIP). The 8 core industries includes; Electricity, Steel, Refinery products, Crude oil, Coal, Cement, Natural gas and Fertilizers.
- ❖ The Index is used by government agencies and departments such as the Finance Ministry and the RBI for policymaking. It is also used for estimating the Gross Value Added of the manufacturing sector quarterly. It is the only measure of the physical volume of production. It is also extremely useful for the projection of advance GDP estimates.



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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 : 87.6196

INR / 1 GBP : 117.6649

INR / 1 EUR : 102.0488

INR /100 JPY: 59.4800

EQUITY MARKET

Sensex: 79857.79 (-765.47)

NIFTY: 24363.30 (-232.85)

Bnk NIFTY: 55004.90 (-516.25)

Courses conducted by BFSI Board

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For details please visit
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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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