



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

22 August 2025



ECONOMY

China calls US 'a bully', backs India on tariffs; says it will welcome Indian goods in its markets: Chinese Ambassador to India Xu Feihong came out strongly against Washington's decision to impose steep tariffs on Indian goods, terming the United States 'a bully'. He said China 'firmly opposed' the move and vowed that Beijing would stand with India, while also calling for deeper economic and strategic cooperation between Asia's two biggest neighbours. Xu accused Washington of hypocrisy, arguing that the US had long benefited from free trade but was now weaponising tariffs as bargaining tools. US imposed tariffs of up to 50% on India. China firmly opposes it. Silence only emboldens the bully. China will firmly stand with India," Xu said. The envoy added that India and China, as major powers with independent foreign policies, should not allow external pressure to dictate their choices.

(Moneycontrol)

India and Russia seek to increase trade by 50% to \$100 billion as US ties fray: India and Russia are looking to increase their annual trade by about 50 per cent over the next five years to reach \$100 billion, seeking to reduce tariffs as both countries see mounting tensions with the US, a top envoy said. External Affairs Minister S Jaishankar, during a visit to Moscow on Wednesday, said that the two countries must remove trade bottlenecks and reduce non-tariff barriers to reach the goal. Russia is India's fourth-largest trading partner, while India is Russia's second-largest.

(Business Line)

Retail inflation for farm, rural workers eases in July: Retail inflation for agricultural and rural labourers declined in July 2025, according to data released by the Ministry of Labour and Employment on Thursday. Retail inflation for farm and rural workers has eased to 0.77 per cent and 1.01 per cent in July, from 1.42 per cent and 1.73 per cent, respectively, in June, the data showed. The All-India Consumer Price Index for agricultural labourers increased by 1.23 points to 135.31 in July 2025, while the index for rural labourers increased by 1.30 points, reaching 135.66, the Ministry statement flagged.

(Business Line)



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BANKING & FINANCE



GST exemption on insurance may not cut premiums without input tax credit, say experts: The GST group of ministers (GoM) has proposed exempting health and life insurance premiums from the levy to make insurance products more affordable and improve penetration in India's underinsured market. Experts, however, caution that the move may not translate into a proportional reduction in premiums unless insurers are allowed to retain input tax credits. The GST exemption on insurance policies is a welcome move, as it reduces the burden on policyholders and makes insurance more affordable. This benefit will hold true only if the exemption is accompanied by the availability of input credit for insurance companies, experts said.

(Moneycontrol)

IDBI stake sale likely to be completed this fiscal: DIPAM secy: DIPAM Secretary Arunish Chawla on Thursday expressed hope of completing the IDBI stake sale this fiscal, as the qualified bidders have nearly completed their due diligence process. Speaking to the media at the sidelines of the industry body Ficci-hosted annual Capital Market Conference here, Chawla also said the government has already collected Rs 20,000 crore in the first quarter itself against the Rs 47,000 crore asset monetisation target for the current financial year.

(Economic Times)

BFSI sector to add 2.5 lakh jobs by 2030; hiring shifts to tier II, III cities: Report: India's BFSI sector is set for robust growth, with hiring projected to rise 8.7 per cent in 2025-26 and touch 10 per cent by 2030, creating nearly 2.5 lakh permanent jobs, a report said on Thursday. This growth in the Banking, Financial Services, and Insurance (BFSI) sector is being driven by rising demand in tier II and III cities, marking a clear shift from metro-centric recruitment. "The heartland of India is emerging as a powerful engine of talent demand in the BFSI sector, with nearly 48 per cent of new roles now originating from tier II and III cities," workforce solutions provider Adecco India said in a report..

(Economic Times)

Parliamentary panel bats for affordable cancer insurance: A parliamentary panel has recommended that cancer diagnostic packages with standardised pricing should be developed under government-regulated health insurance schemes to enable wider inclusion. The Committee on Petitions, Rajya Sabha, headed by Narain Dass Gupta in its 163rd report presented on Wednesday, also recommends that the price caps enforced by the National Pharmaceutical Pricing Authority



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(NPPA) such as the existing 30 per cent trade margin cap on 42 essential anti-cancer drugs should be extended to cover cancer vaccines, immunotherapy, and oral chemotherapy.

(Economic Times)

RBI floats discussion paper to review inflation targeting framework: Ahead of the second review of the country's flexible inflation targeting framework (FIT) due in March 2026, the Reserve Bank of India (RBI) on Thursday floated a discussion paper seeking feedback on four critical questions, including the appropriateness of persisting with the 4 per cent goal and if the focus should be on headline or core inflation. The paper also seeks inputs from stakeholders on whether the RBI should target a tolerance band or a specific number, and if the tolerance band of ± 2 per cent should be narrowed or widened. The FIT framework, which is in place since October 2016, is to be reviewed every five years. In the first review conducted in March 2021, the target was retained for the subsequent five years till March 2026. At present, the RBI Act mandates the central bank to maintain a Consumer Price Index (CPI) inflation target of 4.0 per cent with a tolerance band of ± 2 per cent around it.

(Business Standard)

INDUSTRY OUTLOOK



Wipro acquires HARMAN's Digital Transformation Solutions business unit for \$375 million:

Wipro, a leading AI-powered technology services and consulting company, has entered into an agreement to acquire the Digital Transformation Solutions (DTS) business of HARMAN, a Samsung company, in an all-cash transaction of \$375 million, including earn-outs. Headquartered in Connecticut, US, DTS is a global provider of engineering, R&D and IT services to the industrial, consumer, hi-tech and healthcare and lifesciences sectors. It has more than 5,600 employees in 14 countries, including India, the US, South Korea, the UK, Poland and Germany.

(Business Line)

Central Consumer Protection Authority imposes ₹10 lakh penalty on Rapido-online ride: In yet another action towards protection of consumer rights, the Central Consumer Protection Authority (CCPA) has ordered Rapido (Roppen Transportation Services) to pay penalty of ₹10 lakh for publishing misleading advertisement and unfair trade practice. In addition, the Authority has also directed the online ride-hailing platform to ensure that any consumer who availed the "AUTO IN 5 MIN OR GET ₹50" offer and did not receive the promised ₹50 compensation shall be reimbursed ₹50 in full without any further delay or condition. After detailed examination, CCPA has held these advertisements to be false, misleading and unfair to consumers and has directed to discontinue the



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misleading advertisements with immediate effect,” Ministry of Consumer Affairs, Food & Public Distribution.

(Business Line)

Govt approves Rs 6,982 crore for BSNL capex in 2025: The government has approved Rs 6,982 crore as additional capex support for BSNL in 2025, Parliament was informed on Thursday. The approval for capex is in addition to the support of Rs 3.22 lakh crore given to the state run telecom firm in various tranches, starting with Rs 69,000 crore revival package in 2019, Rs 1.64 Lakh crore in 2022 and allotment of 4G and 5G spectrum worth Rs 89,000 crore in 2023, Minister of State for telecom Pemasani Chandrasekhar said in the Rajya Sabha.

(Economic Times)

India surpasses China in smartphone exports to US: India has overtaken China in smartphone exports to the United States, marking a major milestone in the country's manufacturing journey, according to a social media post by PIB citing research firm Canalys. As per the post, schemes such as Make in India and the Production Linked Incentive (PLI) have played a key role in reshaping the electronics sector.

(Economic Times)



REGULATION & DEVELOPMENT

GoM approves Centre's GST rate rationalisation proposal, backing the proposed two-slab structure: The Group of Ministers (GoM) on Goods and Services Tax (GST) rate rationalisation has approved the Centre's push for a simplified two-slab tax system. Bihar Deputy Chief Minister Samrat Choudhary said on August 21 that the GoM has accepted the proposal to scrap the existing 12 percent and 28 percent tax rates and move towards a dual structure of 5 percent and 18 percent. The Centre's proposal will now be placed before the GST Council during its next meeting, scheduled in September.

(Moneycontrol)

SEBI Chief hints at pilot project for pre-IPO trading platform: The Securities and Exchange Board of India (SEBI) is considering a pilot initiative to create a regulated platform for trading in pre-IPO shares, chairperson Tuhin Kanta Pandey said on Thursday. Speaking at a capital markets conference organised by FICCI, Pandey said that pre-listing information is often inadequate for investors to make informed decisions, and that there is a need for a more structured system.

(Business Line)



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Roadmap for Rollout of 6G Technology in the Country: The ITU-R (International Telecommunication Union Radio communication Sector) recommendation M.2160, titled "Framework and overall objectives of the future development of IMT for 2030 and beyond", outlines the vision for 6G or IMT-2030 and roadmap for rollout of 6G Technology by 2030. This recommendation envisions IMT-2030 to provide enhanced capabilities compared to 5G, as well as new capabilities to support the expanded usage scenarios of IMT-2030. Also, Government has released Bharat 6G Vision Document in March 2023 with the objectives to design, develop and deploy 6G network technologies that provide ubiquitous intelligent and secure connectivity for high quality living experience for the world to position India as a global leader in 6G technology by 2030. This information was given by the Minister of State for Communications and Rural Development, in a written reply to a question in Rajya Sabha.

(PiB)



FINANCIAL TERMINOLOGY

ADVANCED ENCRYPTION STANDARD (AES)

- ❖ The Advanced Encryption Standard (AES), originally known as Rijndael, is one of the most secure encryption algorithms available. The symmetric-key block algorithm is the Fintech industry standard to encrypt and decrypt classified data.
- ❖ The Advanced Encryption Standard (AES) is a symmetric block cipher chosen by the U.S. government to protect classified information.
- ❖ AES is implemented in software and hardware throughout the world to encrypt sensitive data. It is essential for government computer security, cybersecurity and electronic data protection.
- ❖ The government classifies information in three categories: Confidential, Secret or Top Secret. All key lengths can be used to protect the Confidential and Secret level. Top Secret information requires either 192- or 256-bit key lengths.
- ❖ There are 10 rounds for 128-bit keys, 12 rounds for 192-bit keys and 14 rounds for 256-bit keys. A round consists of several processing steps that include substitution, transposition and mixing of the input plaintext to transform it into the final output of ciphertext.



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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 : 86.9741

INR / 1 GBP : 116.9616

INR / 1 EUR : 101.1967

INR /100 JPY: 58.9700

EQUITY MARKET

Sensex: 82000.71 (+142.87)

NIFTY: 25083.75 (+33.20)

Bnk NIFTY: 55755.45 (+56.95)

Courses conducted by BFSI Board

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- ❖ 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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