ICMAI
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
भारतीय लागत लेखाकार संस्थान
Statutory Body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)
CMA

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DAILY NEWS DIGEST BY BFSI BOARD

12 August 2026

RBI governor Sanjay Malhotra says inflation in check, bolstering rate hold bets: India's inflation remains manageable, the country's central bank chief said, reinforcing expectations that interest rates will stay on hold. "Inflation is more or less under check," Governor Sanjay Malhotra said at a banking industry event in Mumbai on Tuesday. Economic growth remains resilient and the country's foreign exchange reserves are sufficient to absorb shocks, he said. His comments came a day before India is due to release inflation data for July, with economists surveyed by Bloomberg expecting price growth of about 4.4%. In June, inflation breached the RBI's 4% target for the first time in nearly a year and a half.

(Moneycontrol)

SBI Research sees Q1 FY27 GDP growth at 8%, beats RBI's 7% forecast; 86% indicators accelerate: India's economic growth could remain stronger than expected in the first quarter of FY27, with SBI Research projecting real GDP growth at around 8%, one percentage point above the RBI's 7% projection. The estimate comes ahead of the official GDP data and is based on a broad assessment of high-frequency indicators covering consumption and demand, agriculture, industry, services, finance and other parts of the economy. SBI Research said almost all major leading indicators corroborate its 8% growth estimate.

(Business Today)

India growth seen slowing to 6.6% in FY27, says Fitch Group company BMI: Fitch Group company BMI on Tuesday projected India's growth to slow to 6.6 per cent in the current fiscal as the boost to the economy from last year's GST reforms wanes and elevated inflation erodes household income. The Indian economy grew 7.7 per cent in financial year 2025-26. India remains Asia-Pacific's fastest-growing large economy, but the risks lie to the downside, mainly from a re-escalation in the Middle East or a weaker monsoon, BMI said..

(Business Line)

AI & AI alone can help limit AI frauds: RBI Governor: Reserve Bank of India Governor Sanjay Malhotra on Tuesday called for increased use of artificial intelligence (AI) in the banking system to stay ahead of fraudsters . “It is AI and AI alone that can help limit AI frauds,” Malhotra said at the FIBAC 2026 conference in Mumbai. “Fraud today moves at a speed of an (application programming interface) API call. Rules-based fraud engines, however well-designed, are perpetually one step behind the fraudsters, who adapt more frequently. It is only AI and machine learning models, which continuously learn from these transaction patterns, that can identify anomalies in real time, rather than after the loss has occurred.” According to the governor, not just fraud detection but if used intelligently, AI will save costs for the banking system, democratise credit, give access formal credit to all sections of the society at reasonable rates.

(Financial Express)

IBA mulls regulatory sandbox to counter Mythos threats: The Indian Banks’ Association (IBA) has constituted a sub-committee to examine the need for and modalities of setting up a regulatory sandbox that would allow banks to test their models against Mythos, a senior official said. The sub-committee has been formed under the IBA’s working committee, headed by State Bank of India Chairman CS Setty. The industry body is also in discussions with the Institute for Development and Research in Banking Technology, established by the Reserve Bank of India, on the proposed framework.

(Financial Express)

Gold loans steal a march on SBI Xpress Credit: The exponential rate of growth for State Bank of India's (SBI) gold loans is seriously denting its personal loan business, with many customers opting for the former because of interest rate arbitrage of almost 3%. Gold-backed loans have hit Rs 3.10 lakh crore in quick time while Xpress Credit (the personal loan product of the bank), which was once the lender's fast-growing segment, has fallen behind. Among SBI's loan verticals, auto and Xpress Credit are showing below double-digit growth over the last several quarters and the bank is working out a strategy to ensure their turnaround.
(Financial Express)

CKYC 2.0 trial begins; adoption holds the key: A trial run of the revamped Central KYC Records Registry (CKYCRR 2.0) began on Monday, potentially paving the way for customers to reuse verified identity records across banks, insurers and other financial institutions without repeatedly submitting documents. The Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI), which manages the registry, has started onboarding reporting entities onto the new platform, with a production mock run underway till Friday this week. Financial institutions will use the exercise to test their systems and prepare for the transition from CKYCRR 1.0.
(Financial Express)

State Bank of India set to raise funds through 5-year dollar bond: State Bank of India, India's largest lender, is in the market to raise funds through a five-year US dollar-denominated bond, sources said, adding that the final amount that the bank will raise will depend on how much it is able to compress the initial price guidance of 120 basis points over the benchmark US Treasury yield. Funds will be raised in one or more tranches of $250 million. ICICI Bank, the country's second-largest private sector lender, which raised $1 billion through five-year senior unsecured dollar bonds late last month, was able to compress its initial price guidance by 30 bps to finally raise $1 billion at a spread of 100 basis points over US Treasuries.
(Business Standard)

Sugar industry seeks 100% exemption from mandatory jute packaging: Millers have asked the government for a total exemption of sugar from compulsory jute packaging during Jute Year 2026–27, claiming serious public health risks, quality incompatibility, and a mounting economic burden on the industry and over 50 million sugarcane farmers. Sugar mill owners have also demanded suspension of the mandatory jute packaging for sugar until an independent study is completed.
(Business Line)

DPIIT, MSME Ministry sign MoU to propel India's GI products into global markets: The Ministry of Micro, Small and Medium Enterprises (MSME) and the Department for Promotion of Industry and Internal Trade (DPIIT) signed a Memorandum of Understanding (MoU) on August 5 at Vanijya Bhawan in New Delhi to accelerate the commercialisation, quality standardisation, and market penetration of India's Geographical Indication products. The collaborative framework aims to enhance the livelihoods of indigenous artisans, weavers, and producers, while simultaneously strengthening the country's One District One Product (ODOP) ecosystem.
(Business Line)

Apex cooperative body to get more lending powers — All about the NCDC (Amendment) Bill, 2026: The government plans to broaden the mandate of the National Cooperative Development Corporation (NCDC) by allowing it to extend loans and grants directly to cooperative societies engaged in diverse activities beyond the conventional ones. The National Co-operative Development Corporation (Amendment) Bill, 2026, introduced in the Lok Sabha on Monday, also allows the corporation to participate in the share capital of any co-operatives or any entity engaged in co-operative development, with the central government's approval. The legislation proposes to expand the definition of 'foodstuffs' to include any other food items notified by the Centre. The geographical restriction applicable to industrial goods is proposed to be removed. This will enable assistance for such activities irrespective of their location.

(Financial Express)

SEBI proposes wider FPI access to commodity derivatives: The Securities and Exchange Board of India (SEBI) on Tuesday proposed widening the participation of foreign portfolio investors (FPIs) in exchange-traded commodity derivatives. This includes permitting them to trade physically settled non-agricultural commodity contracts. FPIs are currently allowed to participate only in cash-settled non-agricultural commodity derivatives and indices comprising such commodities. SEBI has proposed allowing FPIs to trade non-agricultural index derivatives irrespective of whether their underlying contracts are cash-settled and permitting them to participate in non-cash-settled non-agricultural commodity derivatives.

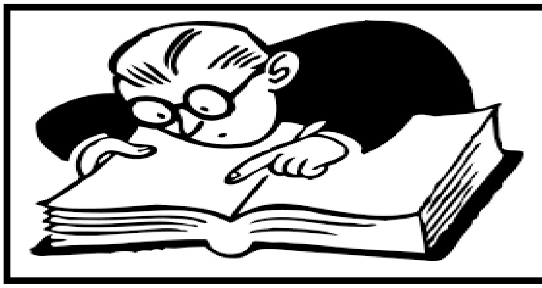
(Business Line)

Centre's net direct tax collection surges 23% to Rs.8.11 trillion till Aug 10: Central government's net direct tax collection rose 23.09 per cent annually to Rs.8.11 trillion as of August 10, driven particularly by strong growth in non-corporate tax and Securities Transaction Tax (STT) receipts, even as refunds rose at a slower pace, provisional data released by the income-tax department on Tuesday showed. This represents close to a third of the full year direct tax collection target of Rs 26.97 trillion. Direct tax revenue collection so far this year has grown faster than the 15.25 per cent growth needed to achieve the full year target this year, compared to last fiscal's actual collection.

(Business Standard)

One-year cooling-off time for SEBI brass may stay: The government will likely retain the one-year cooling-off period for the SEBI chairperson and whole time members before they can take up positions with market participants, instead of extending it to two years as suggested by a Parliamentary panel. The government is also unlikely to act on the recommendations of the Standing Committee on Finance to examine the need for an appropriate statutory and regulatory framework for virtual digital assets (VDAs), or crypto assets. The panel, which recommended several changes to the securities markets code in its report tabled in Parliament on July 23, proposed extending the cooling-off period for the Sebi top brass from the extant one year to two years before they can take up positions with market participants.

(Financial Express)



FINANCIAL TERMINOLOGY

ADP NATIONAL EMPLOYMENT REPORT

- The ADP National Employment Report is a monthly report of economic data that tracks trends in the level of nonfarm private employment in the U.S. It is published by Automatic Data Processing and provides a breakdown of data by industry, region, and establishment size.
- This report is published two days before the Bureau of Labor Statistics (BLS) employment report and is used by investors as a preview of the official BLS report.

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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 : 95.4321
INR / 1 GBP : 128.8839
INR / 1 EUR : 110.0882
INR /100 JPY: 59.9400

EQUITY MARKET

Sensex: 78154.25 (-388.19)
NIFTY: 24471.70 (-112.10)
Bnk NIFTY: 57446.25 (-240.70)

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- Certificate Course on Treasury, Foreign Exchange and International Banking

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CMA Harshad S. Deshpande, Chairman
Banking, Financial Services & Insurance Board (BFSIB)
The Institute of Cost Accountants of India (ICMAI)