



PATUCK–GALA COLLEGE OF COMMERCE

Department of Accountancy

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RBI Signals Cautious Approach Amid Global Market Volatility

In July 2025, the Reserve Bank of India (RBI) highlighted the need for caution in managing the country's financial system. Global markets were experiencing volatility due to fluctuations in oil prices, international trade changes, and currency movements. RBI assured that India's banking system remains stable but advised financial institutions to maintain sufficient liquidity and to be careful while extending unsecured loans.

Understanding RBI's actions is important for those involved in financial planning and accounting because central bank decisions directly affect interest rates, lending, and borrowing costs. For example, if banks exercise caution, loans might take longer to approve, which influences cash flow and budgeting for both individuals and businesses. Reports in The Economic Times and Mint emphasized that RBI's approach also aims to prevent sudden shocks in financial markets, ensuring stability in business operations. Monitoring such measures helps in connecting theory with real-world financial decisions.

Conclusion:

RBI's cautious strategy protects India's financial system during global uncertainty and demonstrates the practical role of central banking in stabilizing the economy.

(Anjali Benbanshi/ S.Y.B.Com(B&I)/ 28)

GST Collections Stay Strong as Businesses Report Steady Activity

GST collections in July 2025 remained robust, according to Business Standard and Times of India. Steady domestic consumption and improved compliance contributed to consistent revenue. Small businesses and service providers reported that updated e-invoicing systems made filing returns easier and reduced errors.

Learning about GST is useful for understanding how taxes affect pricing, costs, and accounting practices. For example, proper management of input tax credits helps ensure accurate billing



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and reporting. Government revenue from GST also supports development programs, including infrastructure, education, and healthcare, which indirectly impacts business activity. By observing these trends, it becomes clear how taxation policies influence financial planning, cost control, and profitability.

Conclusion:

Strong GST collections indicate active business performance and highlight the importance of understanding taxation for effective accounting practices.

(Rashmita Karmi/ S.Y.B.Com(B&I)/ 10)

Companies Focus on Cost Control as Input Prices Fluctuate

In July 2025, many companies faced fluctuating costs for raw materials such as metals, fuel, and packaging. Reuters reported that businesses in manufacturing, textiles, and FMCG sectors focused on controlling expenses to maintain profitability. Digital tools and software were widely used to monitor costs, reduce waste, and improve supply chain efficiency.

Cost control is crucial for sustaining profit margins when input prices are unpredictable. Accurate tracking of expenses, budgeting, and analysis of resource use are essential for maintaining financial health. Such practices help organizations make informed decisions, adjust pricing, and plan investments effectively. Observing real-world examples of cost management illustrates how financial strategies are applied in day-to-day business operations.

Conclusion:

Effective cost control ensures companies remain competitive despite market fluctuations, demonstrating the practical value of accounting principles.

(Poonamvishwakarma/S.Y.B.Com/129)