

## **DAILY NEWS DIGEST BY BFSI BOARD**

06 December 2025



### **ECONOMY**

#### **RESOLUTION OF MONETARY POLICY COMMITTEE (MPC) DECEMBER 3 TO 5, 2025**

The Monetary Policy Committee (MPC) held its **58th meeting** from December 3 to 5, 2025, under the chairmanship of Shri Sanjay Malhotra, Governor, Reserve Bank of India with the following outcomes;

- Repo Rate reduced by **25 bps to 5.25 per cent**.
- Consequently, the **SDF rate** shall stand adjusted to **5.00 per cent** and the **MSF rate and the Bank Rate to 5.50 per cent**.
- The MPC also decided to continue with the **neutral stance**.

#### **OUTLOOK**

- India's **GDP registered a six-quarter high growth of 8.2 per cent in Q2:2025-26**, underpinned by resilient domestic demand.
- On the supply side, real gross value added (**GVA**) **expanded by 8.1 per cent**, aided by buoyant industrial and services sectors.
- Economic activity during the first half of the financial year benefited from income tax and GST rationalization, softer crude oil prices, front-loading of government capital expenditure, and facilitative monetary and financial conditions supported by benign inflation.
- Real **GDP growth for 2025-26 is projected at 7.3 per cent**, with Q3 at 7.0 per cent; and Q4 at 6.5 per cent.
- Real GDP growth for Q1:2026-27 is projected at 6.7 per cent.

- **CPI inflation for 2025-26 is now projected at 2.0 per cent** with Q3 at 0.6 per cent; and Q4 at 2.9 per cent.
- CPI inflation for Q1:2026-27 and Q2 are projected at 3.9 per cent and 4.0 per cent, respectively.

## **PUTIN'S VISIT TO INDIA STRENGTHENS BILATERAL TIES WITH KEY AGREEMENTS ACROSS SECTORS:**

Russian President Vladimir Putin's two-day visit to India has resulted in the signing of several important agreements and memorandums, further strengthening the longstanding ties between the two nations. The visit highlighted key areas of cooperation including migration, health, maritime affairs, trade, and academic exchange, setting the stage for a deeper, multifaceted partnership between India and Russia in the years ahead. India and Russia signed agreements focusing on temporary labour activity and combating irregular migration.

**Health & Food safety:** The Ministry of Health and Family Welfare of India and the Ministry of Health of Russia have agreed to collaborate in healthcare, medical education, and scientific research. Furthermore, an agreement between India's Food Safety and Standards Authority and Russia's Federal Service for Surveillance on Consumer Rights Protection and Human Well-being will focus on enhancing food safety.

**Commerce:** India and Russia have also agreed to enhance customs and trade cooperation. India's Department of Posts has signed a bilateral agreement with JSC Russian Post to improve postal services between the nations. The two leaders, in a joint statement, stuck to the revised bilateral trade target of \$100 billion by 2030, up from \$68.7 billion in FY25.

**Education:** A Memorandum of Understanding between the Defence Institute of Advanced Technology in Pune and Tomsk State University in Russia will enhance scientific research. Additionally, a cooperation agreement between the University of Mumbai, Lomonosov Moscow State University, and the Russian Direct Investment Fund will foster academic exchange and mutual growth.

**Media collaboration:** Media collaboration has taken center stage with multiple MOUs between India's Prasar Bharati and various Russian media entities.

**Visa policy enhancements:** Both governments have agreed to grant a 30-day e-tourist visa on a gratis basis to Russian nationals, on a reciprocal basis. Additionally, group tourist visas will also be offered to Russian nationals free of charge.

**Economy:** Both countries committed to a programme for the development of strategic areas of India-Russia economic cooperation until 2030.

**(Business Today)**

**Fitch ups India's growth forecast to 7.4%:** With July-September quarter (Q2 of FY26) beating all expectations, Fitch Ratings on Thursday upped India's growth forecast by 50 basis points (bps) to 7.4 per cent. India recorded growth rate of 8.2 per cent during Q2. Post that, while the government revised the forecast to 7 per cent or more for the entire fiscal, SBI's research report estimated growth rate at 7.6 per cent.

**(Business Line)**

**India says IMF's 'C' rating on national accounts data due to old base year:** Indian Finance Minister Nirmala Sitharaman said the International Monetary Fund's below par rating on the country's national accounts data was due to an outdated base year and not a reflection of the quality of the statistics. In its country report on India last week, the IMF assigned a 'C' rating to the South Asian nation's national accounts statistics, which includes data on gross domestic product, consumption and income levels. The rating indicated the data have "some methodological weaknesses" that "somewhat hamper surveillance," the report said.

**(Business Line)**

## **BANKING & FINANCE**



**Fino Payments Bank becomes first to secure RBI nod for small finance bank conversion:** Fino Payments Bank has received in-principle approval from RBI to convert its operations into a Small Finance Bank (SFB), becoming the first payments bank to achieve this milestone. In addition to its core offerings, Fino has already ventured into third-party lending by providing gold loans, housing loans, and loans

against property as part of a referral business model. These verticals are expected to form the foundation for its new lending business once the conversion is complete.

**(Business Today)**

**RBI tweaks lending norms after feedback from banks, NBFCs:** RBI has extended restrictions on lending against shares and to directors and relative of directors to non banking finance companies (NBFCs), bringing them on par with banks. In the final guidelines, RBI also allowed banks to have multiple entities to do the lending business with the approval of the board. Regulated entities have to implement the new rules by March 2028.

**(Economic Times)**

**RBI asks banks to ringfence non-core business:** India's central bank on Friday asked banks to submit a detailed plan on ringfencing their core business from other riskier non-core business by March 2026. The Reserve Bank of India said banks can have multiple entities in the lending business, but with approval of the bank's board. Lenders have been asked to get board approval and implement the new rules by March 31, 2028. The change comes as a relief for banks, especially private ones, which would have needed to spin off their lending subsidiaries. HDFC Bank and Axis Bank are among lenders that have separate lending units. The RBI said on Friday that banks will require a so-called no objection certificate for their overseas branches to undertake businesses the parent is not allowed to operate.

**(Economic Times)**

**Banks have to offer mobile banking for basic accounts: RBI:** Banks must offer mobile and internet banking services even for basic savings accounts and cannot charge for deposit of cash either at the bank branch or through channels, like ATMs or business correspondents for these accounts, Reserve Bank of India (RBI) has clarified in the amended directions on basic savings bank deposit (BSBD) Accounts.

**(Economic Times)**

**Unclaimed deposits in Oct reduced by ₹760 cr: RBI deputy gov S C Murmu:** Unclaimed deposits in October saw a reduction of around Rs 760 crore as a result of a government campaign and incentives to banks RBI, Deputy Governor Shirish Chandra Murmu said during the post-MPC press meet. In addition, in his MPC speech, RBI



Governor also spoke of the increase in grievances and pendency with the RBI Ombudsman and proposed a 2 onth campaign from January 1, 2026, to resolve all grievances pending for over a month.

**(Business Standard)**

**Retail CBDC transactions hit 120 mn, value crosses ₹28,000 crore: RBI DG:** The volume of retail CBDC (central bank digital currency) transactions has crossed 120 million, while the total value has exceeded Rs 28,000 crore so far, Reserve Bank of India Deputy Governor T Rabi Sankar said at the post-monetary policy press meet. He added that progress on retail CBDC is broadly in line with expectations, with ongoing work focused on programmability, coordination with state and central governments, and specialised products for banks, along with efforts to enable cross-border payments.

**(Business Standard)**

**RBI's revised norms empower cooperative banks with greater autonomy:** RBI issued revised norms for cooperative banks to help them expand credit outreach, leverage technology-driven solutions, and support localised development priorities. These revisions strike a balanced approach, empowering cooperative banks with enhanced operational autonomy while embedding robust safeguards. The calibrated relaxation of authorisation norms paves the way for cooperative banks to contribute to India's economic growth.

**(Business Standard)**

**RBI orders weekly loan data reporting to credit information cos from April 1, 2026:** RBI has directed all regulated lenders to provide information on their borrower accounts to credit information companies on a weekly basis as against the current practice of 14 days. The move will help in better underwriting of credit and monitoring of loans. This directive will be effective April 1, 2026.

**(Economic Times)**

**IFFCO-TOKIO GIC ties up with cooperatives for micro insurance:** IFFCO-TOKIO General Insurance Company, which is celebrating the silver jubilee of its foundation, on Thursday said it has tied up with a number of cooperatives to distribute micro insurance for package policies. Established in 2000, IFFCO-TOKIO GIC is a 51:49 joint

venture between Indian Farmers Fertilizer Co-operative (IFFCO) and Japan-based Tokio Marine Group. "While at the beginning we were guided by the principal of affordable insurance, the vision has got enlarged to align with people's aspirations and robust economy, while committed towards IRDAI's 'Insurance for All by 2047',"

**(Business Line)**

### **Russia's Gazprombank, Alfa Bank seek RBI approval to set up India branches:**

Russian lenders Gazprombank and Alfa Bank have sought clearance to begin operating in India, four people familiar with the matter said, as Moscow pushes to grow trade with its top seaborne oil customer. U.S. President Donald Trump has piled pressure on New Delhi over its ties with Moscow as India and Russia aim for bilateral trade of \$100 billion by 2030, from \$69 billion currently. Alfa Bank is Russia's largest privately-owned lender and has been under Western sanctions since 2022.

**(Business Standard)**

## **INDUSTRY OUTLOOK**



**Netflix agrees to buy Warner Bros for \$72 billion:** Netflix has agreed to buy Warner Bros Discovery's TV and film studios and streaming division for \$72 billion, a deal that would hand control of one of Hollywood's most prized and oldest assets to the streaming pioneer that has upended the media industry. The agreement - announced on Friday - follows a weeks-long bidding war where Netflix seized the lead with a nearly \$28-a-share offer that eclipsed Paramount Skydance's nearly \$24 bid for the whole of Warner Bros Discovery, including the cable TV assets slated for a spinoff.

**(Moneycontrol)**

**IndiGo cancels over 1,000 flights, CEO promises restoration by Dec 15:** IndiGo CEO Pieter Elbers, in his first statement since the crisis began, on Friday acknowledged the severe operational disruptions affecting the airline over the past few days. He also revealed that over 1,000 flights were cancelled on December 5 alone.

Elbers confirmed that the widespread cancellations had been caused by a major reboot of the airline's operational systems.

**(Business Today)**

**NHAI gets SEBI nod for Raajmarg InvIT, paving way for public investment in highways:** SEBI has given an in-principle approval for the registration of the Raajmarg Infra Investment Trust (RIIT) as a Public Infrastructure Investment Trust. This marks an important milestone for the National Highways Authority of India (NHAI) as it looks to expand its asset monetisation strategy and tap into a wider pool of investors. A public InvIT allows individuals and institutions to invest in infrastructure projects in a manner similar to a mutual fund, but instead of equities, the investments are linked to revenue-generating assets such as toll roads. The toll income from these highways is then distributed to investors as returns. SEBI's approval means NHAI can begin preparing RIIT to eventually raise money from the public.

**(Business Today)**



## REGULATION & DEVELOPMENT

**Over 6,000 recognised startups have shut down so far, Govt tells Rajya Sabha:** 6,835 startups, out of the total recognised startups, have been termed closed as of 31 October 2025, the government told Rajya Sabha on Friday. The report also mentioned that, during the same period, 1,97,692 startups received the official startup recognition from DPIIT. The reply further categorised these shutdowns on the basis of geography. Maharashtra saw the highest number of closures with 1,200. Karnataka saw 845 closures while Delhi witnessed 737. Furthermore, Uttar Pradesh witnessed 598 shutdowns, Telangana saw 368, and Gujarat saw 348 closures.

**(Financial Express)**

**India hosts first-ever Global South seminar on Public Financial Management (PFM) in New Delhi:** The Office of the Controller General of Accounts of India (CGA), Ministry of Finance, in collaboration with the Ministry of External Affairs (MEA),



convened a high-level Seminar on sharing India's Public Financial Management (PFM) Experience for countries of the Global South in New Delhi, today. The event brought together heads of Missions, senior diplomats, and PFM experts from many partner countries of the Global South, including Guyana, Cuba, Mauritius, Maldives, Timor-Leste, Fiji, etc, many of whom are currently working with India through development cooperation channels or Digital Public Infrastructure (DPI) partnerships.

**(PiB)**

**Board approval must for bank entities to do same business, says RBI:** RBI on Friday allowed multiple entities in a bank group to undertake the same business as long as they cater to different client segments, while mandating board approval to ensure that any overlap in business has proper rationale and justification. "To allow flexibility in the manner in which a bank wishes to conduct its business, the suggestion has been accepted. However, to ensure that the overlap in businesses undertaken by the bank group has proper rationale/justification, board approval is being mandated," the central bank said on Friday.

**(Business Standard)**



## FINANCIAL TERMINOLOGY

### **GOLDILOCKS MOMENT**

- A "Goldilocks moment" refers to an ideal situation, especially in economics, that is "just right"—neither too extreme nor too moderate—like the fairy tale where Goldilocks finds porridge that's not too hot, not too cold, but perfect.
- In economics, it means a sweet spot of steady, moderate growth, low inflation, and favorable interest rates, creating a stable environment for investment and expansion, a period often sought after by businesses and investors.





### **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 : 90.2697  
INR / 1 GBP : 119.5026  
INR / 1 EUR : 105.1022  
INR /100 JPY: 58.0200

### **EQUITY MARKET**

Sensex: 85712.37 (+447.05)  
NIFTY: 26186.45 (+152.70)  
Bnk NIFTY: 59777.20 (+488.50)

### **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 2<sup>nd</sup> Edition)**

## **TEAM BFSIB**

**Banking, Financial Services & Insurance Board  
The Institute of Cost Accountants of India (ICMAI)**

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