

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

11 December 2025



### **ECONOMY**

**Indian benchmark bond yield surges to 6.63%, highest level in current financial year:** Yield on the government securities, especially 10-year benchmark bond rose to its highest levels in the current financial year and touched 6.63 percent levels due to sell-off by foreign investors in the FAR securities and anticipation of end of rate cut cycle. The 10-year benchmark bond yield was trading at 6.63 percent in the evening trade. The current yields are highest since March 25, 2025, levels, when it was trading at 6.64 percent.

**(Moneycontrol)**

**ADB lifts India's growth forecast for FY26 by 70 bps to 7.2%:** With two successive quarters of higher-than-expected growth, the Asian Development Bank (ADB) on Wednesday upped India's GDP (Gross Domestic Product) forecast by 70 basis points to 7.2 per cent. India's FY 2025-26 growth projection is upgraded, "driven primarily by robust domestic consumption supported by recent tax cuts," ADB said in the latest Asian Economic Outlook. Further, it said that GDP grew at a faster-than-expected 8.2 per cent in the second quarter of FY2025-26 (July to September 2025), leading to an average growth of 8 per cent in the first half of the fiscal year. First quarter growth rate was 7.8 per cent.

**(Business Line)**

**Best offer ever received is from India, says USTR:** The much-awaited India-US trade deal, which is key to resolving the stand-off between the two countries after Washington's unilateral hiking of tariffs on Indian goods, may be around the corner. What seems to have come as a breakthrough in the talks is the Indian government's

decision to accommodate the US demand for greater access to its markets, with a higher degree of flexibility, and include a few farm goods in the tariff lines to be relaxed. US Trade Representative Jamieson Greer told the Congress that his country received an offer from India that was “the best we’ve ever received as a country,” and that the Indian side had been “quite forward leaning.” Indian side has maintained it would not compromise on the interests of its smallholder farmers, the dairy industry, fisheries and small manufacturers.

***(Financial Express)***

**US Federal Reserve cuts key rate again, signals steadier economy next year:** The Federal Reserve reduced its key interest rate by a quarter-point for the third time in a row on Wednesday but signalled that it may leave rates unchanged in the coming months. Chair Jerome Powell signalled at a news conference that the Fed would likely hold off on further rate cuts in the coming months while it evaluated the health of the economy. And in a set of quarterly economic projections, Fed officials signalled they expect to lower rates just once next year. Wednesday's cut reduced the rate to about 3.6 per cent, the lowest it has been in nearly three years. Lower rates from the Fed can bring down borrowing costs for loans, over time, though market forces can also affect those rates.

***(Business Standard)***

## **BANKING & FINANCE**



**IndusInd Bank chairman to step down in January amid organisational overhaul:**

IndusInd Bank Chairman Sunil Mehta will step down after his term concludes in January, two sources with direct knowledge of the matter said, marking the latest leadership change at the private lender. The bank reported its largest-ever quarterly loss in the three months ended March 31, following a \$230 million hit to its accounts, amid governance and accounting failures that prompted the departure of former CEO Sumant Kathpalia and Deputy CEO Arun Khurana earlier this year..

***(Business Line)***

**NBFC vehicle finance AUM to hit Rs 11 lakh crore by FY27 led by used vehicle loans: Crisil:** Vehicle finance portfolios of NBFCs are projected to reach ₹11 lakh crore by March 2027, growing at a steady 16–17% annually in the current and next fiscal, supported by policy measures and favourable macroeconomic conditions, according to Crisil. The AUM growth of NBFCs will largely be led by used vehicle financing, which continues to outpace new vehicle loans across most large NBFCs. “Growth of used vehicle loans is expected to outpace that of new vehicle loans for most of the large NBFCs,” said Malvika Bhotika, Director, Crisil Ratings.

**(Financial Express)**

**State Bank MD questions ‘Single Consent’ model in Account Aggregator system, flags major customer risk:** SBI Managing Director Ashwini Kumar Tewari expressed concerns over the Account Aggregator’s mechanism of obtaining a single consent from customers for all financial services products. Tiwari said that most customers do not read the fine print and often sign up without understanding the details. He highlighted that a single consent from the customer is used across all financial services products, including lending, signing up for wealth management, and account openings. The Account Aggregator framework was introduced by the Reserve Bank to enable the easy sharing of data between financial institutions for quicker decision-making. There are as many as 225 million users on AA at present.

**(Financial Express)**

**Insurers seek Centre's nod for issuing FASTag stickers:** Insurance companies have approached the Union government to join the Fastag system. They want to issue Fastag stickers, citing their role in a vehicle's life cycle. This move could benefit new-age general insurers, as vehicle insurance is a significant part of their business. Discussions are ongoing and in early stages.

**(Economic Times)**

**RBI governor Sanjay Malhotra urges banks to use tech and trim costs in easing cycle:** RBI Governor Sanjay Malhotra met bank chief executives, emphasizing that rate cuts and technology adoption should lower costs and boost efficiency for sustainable growth and financial inclusion. He also urged banks to enhance digital fraud safeguards and improve customer service by reducing grievances and strengthening internal systems.

***(Economic Times)***

**Banks step up borrowing via CDs amid deposit tightness; raise ₹77,875 cr:** Banks have stepped up borrowing through certificates of deposit (CDs), with the banking system raising nearly ₹78,000 crore through this route in the fortnight ended November 28, reflecting the increasing tightness in deposit accretion, which, in turn, is keeping the credit-deposit ratio of the system elevated. Banks are likely to keep tapping this route in the coming weeks and months as credit growth in the system is showing signs of picking up while deposit growth lags.

***(Business Standard)***

**SBI raises data centre exposure target to Rs 4,000 crore for FY26:** India's largest public sector lender, State Bank of India (SBI), is targeting to increase its exposure in data centres from around ₹2,800 crore to ₹4,000 crore by March 2026, a senior bank official said. It comes against the backdrop of Union Finance Ministry telling the public sector banks (PSBs) to be ready to embrace new business opportunities in order to improve the deposits growth. "SBI is planning dedicated teams, specialised training, sector-specific credit rating models, and the hiring of expert consultants to support this expansion," the official said.

***(Business Standard)***

**PFRDA widens pension fund investment rules to boost returns and diversity:** The Pension Fund Regulatory and Development Authority (PFRDA) will now allow private pension funds to invest in the top 250 stocks by market capitalisation listed on India's bourses. Earlier, these funds were allowed to invest in a list of 200 stocks approved by the trust of the National Pension Scheme. The PFRDA has also permitted investments in gold and silver ETFs, giving pension funds the option to diversify into commodity investments. The changes were announced in a circular on Wednesday and are effective immediately.

***(Business Standard)***

**Sebi eases re-KYC norms for NRIs; relaxes geotagging mandate for compliance:** Sebi has relaxed the geotagging requirement mandating physical presence in India for NRIs undergoing re-KYC. The move will enable digital due diligence from abroad. The move comes following stakeholder requests to simplify KYC access for NRIs.



**(Business Standard)**

## INDUSTRY OUTLOOK



**Amul extends partnership with Argentina Football Association for 4th year:** Amul has extended its partnership with Argentina Football Association (AFA) for a fourth consecutive year and will continue to be the official regional sponsor of Argentinian team during the 2026 World Cup period, stated an official release here Wednesday. Amul is the First Indian Regional Sponsor in the history of Argentine Football since 2022, the release added. A special range of Amul products featuring Argentine national team players, along with exclusive fan merchandise will be available in India during the coming year.

**(Business Line)**

**India, Microsoft sign MoU to boost AI skilling, global job opportunities:** In a major move to boost employment opportunities and advance AI-driven skilling across India, the Ministry of Labour & Employment on Tuesday signed a landmark MoU with Microsoft to expand employment linkages, strengthen India's digital labour ecosystem, and prepare the country's workforce for emerging global opportunities.

**(Moneycontrol)**

**Amazon ups its scale, to invest over \$35 billion in India by 2030:** Amazon, on Wednesday said that it plans to invest over \$35 billion in India by 2030. The new commitment adds to the \$40 billion the company has already invested in the country since entering the market in 2010. The new investment will focus on three key areas: AI-driven digitisation, growth in exports, and job job creation.

**(Financial Express)**



## REGULATION & DEVELOPMENT

### **NMDFC implements marketing scheme for providing marketing opportunities to minority artisans and crafts persons across the country:**

National Minorities Development & Finance Corporation (NMDFC) implements its schemes for socio-economic development of “backward sections” among the notified minority communities by providing concessional loan for self-employment income generation ventures across the country. The schemes of NMDFC are implemented through State Channelizing Agencies (SCAs) nominated by respective State Govt./ UT Administration, Punjab Gramin Bank, Canara Bank and Union Bank. The annual family income eligibility criterion under Credit Line-1 is upto Rs. 3.00 lacs p.a. for both rural & urban areas. Under Credit Line -2, persons with higher annual family income of upto Rs.8.00 lacs p.a. can avail higher quantum of financial assistance at a higher rate of interest. Assistance under this scheme is available for any commercially viable & technically feasible venture. Maximum Loan of up to Rs.20.00 Lacs per beneficiary is available under Credit Line-1 at an interest rate of 6% p.a. Higher loan, maximum up to Rs.30.00 Lacs per beneficiary is available under Credit Line-2 at an interest rate of 8% p.a. for male beneficiaries & 6% p.a for female beneficiaries.

**(PiB)**

**RBI wants MFIs to expand product base:** The Reserve Bank of India is urging microfinance companies to diversify their lending beyond traditional group-based loans. Officials recommend exploring asset classes like inventory and capital asset financing to enhance stability and economic contribution. This push aims to move NBFC-MFIs from single-product offerings to comprehensive micro-enterprise finance solutions.

**(Economic Times)**



### **Trai-RBI launch pilot to let users manage legacy promo consents; curb spam:**

Telecom service providers, in partnership with 11 major banks, will begin sending out messages to a small set of customers who can digitally review, manage, and revoke the consents they had previously given for promotional communications, the Telecom Regulatory Authority of India (Trai) said on Wednesday. The messages, as part of system testing, will begin with a short code of 127000 and are likely to be received by customers whose old consents have been uploaded by the banks on the digital platform. Calling it the digital consent acquisition (DCA) pilot, being conducted by Trai and the Reserve Bank of India (RBI) to digitise and standardise consent for promotional communications, the telecom regulator said the move will be the first step towards a unified digital consent management platform, which will ensure that promotional communications are discontinued if customers revoke their consents. This will also address the issue of spam.

**(Business Standard)**



## **FINANCIAL TERMINOLOGY**

### **MERCANTILISM**

- Mercantilism was an economic practice from the 16th to 18th century, where nations sought to increase wealth through export surplus and controlled trade.
- The system emphasized accumulating precious metals and often used military force to protect trade interests and enforce monopolistic practices.
- Although considered outdated, elements of mercantilism persist today, with countries like China and Russia controlling trade and imposing tariffs.
- The rise of capitalism offers more consumer choice and less government control in trade compared to the restrictive practices of mercantilism.



### **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 : 89.8822  
INR / 1 GBP : 119.6380  
INR / 1 EUR : 104.5540  
INR /100 JPY: 57.3500

### **EQUITY MARKET**

Sensex: 84391.27 (-275.01)  
NIFTY: 25758.00 (-81.65)  
Bnk NIFTY: 58960.40 (-261.95)

### **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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