

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

13 December 2025



### **ECONOMY**

#### **RBI to conduct second tranche of OMO purchase of Rs 50,000 cr on December**

**18:** RBI on December 12 said it will conduct the second tranche of Open Market Operation (OMO) purchases of government securities worth Rs 50,000 crore on December 18. The auction will take place on December 18 between 9:30 AM and 10:30 AM on the RBI's Core Banking Solution (E-Kuber) system, central bank said in a release. "The result of the auction will be announced on the same day and successful participants should ensure availability of securities in their SGL account by 12 noon on December 19, 2025," RBI release added. The central bank will purchase 6.75% GS 2029, 6.10% GS 2031, 6.54% GS 2032, 7.18% GS 2033, 6.33% GS 2035, 7.23% GS 2039, and 7.09% GS 2054, release added.

**(Moneycontrol)**

**Silver price crosses Rs 2 lakh mark for first time:** Prices of silver crossed the Rs 2 lakh per kg mark on MCX for the first time ever tracking the broader uptrend in precious metals. "Silver price is rising further due to encouraging industrial production trends and a weakening dollar. The momentum remains positive, with anticipation of growing industrial and clean energy demand." Silver prices have already zoomed 100% in 2025. According to a report by Axis Mutual Fund, demand for silver has been boosted by sectors like solar energy, electric vehicles and semiconductors which continue to expand.

**(Business Today)**

### **India, France overhaul tax treaty; dividend rates cut, end MFN clause: Report:**

India and France have agreed to a sweeping revision of their three-decade-old tax treaty, a move that will halve the dividend tax burden for many French companies operating in India while simultaneously expanding New Delhi's authority to levy capital gains tax on French investors, according to confidential Indian government documents reviewed by Reuters. A central change is the reduction of dividend tax to 5% from 10% for French companies holding over 10% equity in an Indian entity. For minority investors — those holding under 10% — the tax rate will rise to 15% from 10%. Current rules allow India to tax gains only if a French investor holds more than 10% in an Indian company. The revised treaty removes this threshold, granting India full source-based taxation rights on all equity share transfers.

**(Business Today)**

**Retail inflation inches up to 0.7% in Nov on higher food prices:** Retail inflation based on Consumer Price Index (CPI) rose to 0.71 per cent in November against the multi-year low of 0.3 per cent in October, government data showed on Friday. With this, experts feel another round of policy interest rate (repo rate) cut is possible. "The increase in headline inflation and food inflation during November 2025 is mainly attributed to increase in inflation of vegetables, egg, meat and fish, spices, fuel and light," the Statistics Ministry said.

**(Business Line)**

**Cabinet approves Minimum Support Price for Copra for 2026 season:** The Cabinet Committee on Economic Affairs chaired by the Prime Minister, has given its approval for the Minimum Support Price (MSP) for copra for 2026 season. In order to provide remunerative prices to the cultivators, Government had announced in the Union Budget of 2018-19, that MSP of all the mandated crops will be fixed at levels of at least 1.5 times of all India weighted average cost of production. The MSP for Fair Average Quality of milling copra has been fixed at Rs.12,027/- per quintal and for ball copra at Rs.12,500/- per quintal for 2026 season. The MSP for 2026 season is an increase of Rs.445/- per quintal for milling copra and Rs.400/- per quintal for ball copra over last season.

**(Business Line)**

## **BANKING & FINANCE**



### **India Post, BSE ink landmark pact to take mutual funds deep into rural India**

**DPIC:** In a significant push toward deepening financial inclusion, the Department of Posts (DoP) and BSE, Asia's oldest stock exchange, on Friday signed a landmark Memorandum of Understanding (MoU) to expand access to mutual fund products across India — particularly in rural, semi-urban, and underserved regions. The partnership, aligned with the Union Budget 2025-26 announcement, seeks to leverage India Post's expansive postal network to bring investment opportunities closer to millions of households that remain outside the formal financial system. With over 1.5 lakh post offices — many located in remote areas — India Post continues to serve as one of India's largest last-mile service providers. Under the agreement, India Post will act as a distributor of mutual fund schemes through BSE StAR MF, the country's largest mutual fund distribution platform. This move aims to democratize investment access and foster a culture of savings through regulated market-linked products.

**(Business Today)**

**Gap between credit and deposit growth widens amid repo rate cuts:** With bank credit growth outstripping deposit growth, the gap between them has widened to 123 basis points (bps) as of November 28 a far cry from the even-even situation that prevailed a year ago. As of November 28, 2025, all scheduled banks clocked a year-on-year (y-o-y) credit and deposit growth of 11.42 per cent and 10.19 per cent, respectively. However, credit and deposit growth moved in lockstep a year ago, with both growing at about 10.58 per cent.

**(Business Line)**

**SBI reduces lending rates after RBI rate cut:** The largest lender has reduced the external benchmark lending rate (EBLR), which is linked to the repo rate, to 7.90% from 8.15% with effect from December 15. SBI has also reduced its MCLR by 5 basis points across tenures – overnight to three years. It has also cut retail term deposit rates

(below Rs 3 crore) for tenures from two to less than three years by 5 bps. The repricing of deposit rates comes with a lag, while lending rates adjust much faster.

**(Financial Express)**

**Calibrated approach to be adopted for funding M&A: SBI Chairman:** SBI Chairman C S Setty has said that the bank would adopt a calibrated approach for funding mergers and acquisitions, which was recently permitted by the Reserve Bank. The bank has always taken a cautious and gradual approach while entering the new verticle of funding mergers and acquisitions in the domestic market, Setty told PTI in an interview.

**(Economic Times)**

**Stablecoins can undermine trust in currency, financial system: RBI dy guv:** India's approach towards stablecoins must be guided by caution as it can undermine trust in the currency and finance system, said T Rabi Sankar, deputy governor of Reserve Bank of India (RBI) on Friday. Speaking at the Mint Annual BFSI Conclave 2025, Sankar pointed out that stablecoins do not serve any purpose that cannot be served by fiat money. He said India already benefits from a payments landscape that is highly efficient, reliable, and robust. With UPI, RTGS, and NEFT offering fast, low-cost, and secure payment capabilities to millions of users, there is little justification for integrating stablecoins.

**(Business Standard)**

**JPMorgan set to open first new India branch in nearly a decade:** JPMorgan Chase & Co. is set to open a new branch in India after nearly a decade, according to people familiar with the matter, underscoring the Wall Street bank's growing push into one of the world's fastest-growing economies. The lender has gotten an in-principle approval from the Reserve Bank of India to establish its fourth branch in Pune, a city near Mumbai, the people said, asking not to be identified because the information isn't public yet. JPMorgan's new location will cater to corporate clients, offering a full suite of products from transaction banking to term lending, the people said.

**(Business Line)**



**DFS tightens grievance redressal oversight; banks, insurers face rankings:** The Department of Financial Services (DFS) under the Ministry of Finance has intensified its monitoring of grievance redressal across the banking, financial services and insurance (BFSI) sector, introducing a series of measures aimed at improving accountability and customer satisfaction. The department, in a statement, said that the Secretary (Financial Services) M Nagaraju has been personally reviewing 20 randomly selected public grievances every month in the presence of the chairpersons, managing directors and CEOs of the institutions concerned. To strengthen customer service delivery at the branch level, all public sector banks have been directed to adopt technology-based mechanisms-- such as voice chat, email and QR codes-- to capture real-time customer feedback. Additionally, the department has launched a Financial Institutions Interaction Program from December 2025, under which meetings will be held with organisations based on grievance patterns observed on the CPGRAMS portal.

**(Business Standard)**

## INDUSTRY OUTLOOK



**Moody's maintains stable outlook for global asset management industry in 2026:**

Moody's Ratings has maintained a stable outlook for the global asset management industry in 2026, citing expectations of steady assets under management (AUM) growth supported by lower interest rates and subdued but stable global economic expansion, even as competition continues to squeeze profit margins. According to the ratings agency, global economic growth is expected to remain broadly flat over the next two years, with inflation easing across most major economies. In the United States, inflation is forecast to decline to around 2.8 per cent in 2026, prompting further rate cuts by the Federal Reserve, while other regions are nearing the end of their easing cycles.

**(Business Line)**

**SEBI revises governance rules for market infrastructure institutions:** SEBI has outlined amendments to the roles and responsibilities of the senior management in market infrastructure institutions to strengthen governance and to bring more clarity to the roles of senior management personnel of MIs and their reporting structure. The regulations are effective December 20, 2025. Executive directors of critical operations and regulatory compliance must be on the governing board of MIs, with appointments made through open advertisement and requiring SEBI approval for compensation. The terms and conditions of the compensation of the EDs cannot be changed without prior approval of the Board. Prior to completion of term of the existing ED, the MI has to forward the names to SEBI at least two months before the last working day of the existing ED. The EDs will report to the Managing Director while separate committees will assess their performance independently.

**(Business Line)**

**Ministry of Micro, Small and Medium Enterprises (MSME) signs MoU with Amazon to Strengthen Market Access for PM Vishwakarma Artisans:** The Ministry of Micro, Small and Medium Enterprises has signed a Memorandum of Understanding (MoU) with Amazon Seller Services Private Ltd. to enable artisans enrolled under the PM Vishwakarma Scheme to access online markets, enhance product visibility and expand their customer base across India. Through this MoU, Amazon will collaborate with the Ministry of MSME to support artisans engaged in traditional product-based trades such as carpentry, pottery, metalsmithing, goldsmithing, sculpture, tailoring, locksmithing, basket/mat/coir making, doll and toy making, garland making, cobbler work, etc. Amazon will facilitate onboarding of eligible Vishwakarma artisans onto its online marketplace. The partnership will also strengthen visibility for handmade products through Amazon's Karigar initiative, which showcases India's rich handicraft heritage and supports digitization of artisans..

**(PiB)**



## **REGULATION & DEVELOPMENT**

### **Cabinet clears Insurance Amendment Bill, may be introduced in Parliament on Monday:**

The Centre is likely to introduce the Insurance Amendment Bill, which aims to increase the foreign direct invest cap to 100% in the sector, in Parliament on Monday. According to sources, the Union Cabinet is understood to have cleared the Insurance Laws (Amendment) Bill in its meeting on Friday. At present, foreign direct investment in the insurance sector is capped at 74% and the government hopes that enhancing the cap would enable insurance companies to expand their operations in India. The proposal was announced by Finance Minister Nirmala Sitharaman in the Union Budget 2025-26. As part of a comprehensive legislative exercise, the government also plans to amend the Life Insurance Corporation Act 1956 and the Insurance Regulatory and Development Authority Act 1999 along with the Insurance Act 1938. The amendments to the LIC Act propose empowering its board to take operational decisions, such as branch expansion and recruitment.

**(Business Today)**

### **MGNREGA renamed: Pujya Bapu Gramin Rozgar Yojana to have 125 days, minimum wage Rs 240 per day:**

In a major policy move, the Central government has renamed MGNREGA Pujya Bapu Gramin Rozgar Yojana. Alongside the name change, the government has raised the minimum guaranteed employment under the scheme to 125 days, while revising the minimum wage to Rs 240 per day. The scheme was first introduced in 2005 as the National Rural Employment Guarantee Act (NREGA), before being renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). As one of India's most significant social security initiatives, the programme is built on the principle of ensuring the "right to work."

**(Business Today)**

**ICAI clears amendment to Code of Ethics, allowing advertising by CA firms:** The Institute of Chartered Accountants in India (ICAI) has amended advertisement guidelines through the revised code of ethics. “This long-awaited move opens new possibilities for Indian CA firms, especially emerging and mid-sized practices, to enhance visibility, expand their reach and compete confidently at a global level.”. The Council has proposed greater flexibility by allowing members and firms to use push technology for services that are not exclusive to the CA profession (e.g., consultancy, accounting, etc.). Allowing such non-exclusive services to be promoted through “push mode” enhances visibility, aligns with current digital practices, and provides a level playing field for Chartered Accountants. Further, network firms registered with ICAI will now be permitted to develop and maintain their own websites. ICAI has now converged with the 2024 edition of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics.

**(Business Line)**

**Cabinet approves scheme of Conduct of Census of India 2027:** The Union Cabinet chaired by the Prime Minister Shri Narendra Modi today, has approved the proposal for conducting Census of India 2027 at a cost of Rs.11,718.24 crore. The Census of India would be conducted in two phases: (i) Houselisting and Housing Census – April to September, 2026 and (ii) Population Enumeration (PE) – February 2027 (For the UT of Ladakh and snow bound non-synchronous areas of UT of Jammu & Kashmir and states of Himachal Pradesh and Uttarakhand, PE shall be conducted in September, 2026). Use of mobile app for data collection and the Central portal for monitoring purpose will ensure better quality data.

**(PiB)**

**Cabinet clears SHANTI Bill to open civil nuclear energy to private sector:** The Union Cabinet on Friday greenlit the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Bill, which seeks to pave the way for private sector participation in India’s hitherto tightly-controlled civil nuclear power sector, PTI reported. The Bill is likely to be tabled next week, ahead of Parliament's winter session's close on December 19. The approval is a significant development for India's nuclear sector as it aims to reach a 100 GW atomic energy target by 2047.

**(Business Standard)**





## **FINANCIAL TERMINOLOGY**

### **ANGEL CAPITAL**

- Angel capital is capital invested in a start-up venture or small business expansion by an angel investor. Angel investors are typically individuals, partnerships or investment groups who consciously seek higher rates of return than is available in more traditional investments. An angel investor typically seeks returns on investment of 20-25 percent or more per year.
- Angel capital is an equity investment where the angel investor provides funding in exchange for taking an equity position in the company. Equity financing is normally used by non-established businesses that do not have sufficient cash flow or collateral with which to secure business loans from financial institutions.



### **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 : 90.3883  
INR / 1 GBP : 121.0583  
INR / 1 EUR : 106.0779  
INR /100 JPY: 58.0300

### **EQUITY MARKET**

Sensex: 85267.66 (+449.53)  
NIFTY: 26046.95 (+148.40)  
Bnk NIFTY: 59389.95 (+180.10)

### **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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