



# IIBF VISION

Volume No. : 18

Issue No. : 5

December 2025

No. of Pages - 8

## VISION

To be premier Institute for developing and nurturing competent professionals in banking and finance field.

## MISSION

To develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy / counselling and continuing professional development programs.



## INSIDE

Top Stories .....	2
Banking Policies.....	2
Banking Developments.....	3
Capital Market .....	3
Regulator Speaks .....	3
Economic Wrap Up.....	4
New Appointments .....	5
Forex.....	5
Glossary .....	5
Financial Basics.....	5
Institute's Training Activities.....	6
News From the Institute .....	6
Market Roundup .....	7
Green Initiative .....	8

## TOP STORIES

### RBI guidelines on Digital banking channels mandates customer consent for onboarding

In its final guidelines for digital banking channels, the Reserve Bank of India (RBI) has specified that banks cannot mandate any customer to opt for any digital banking channel to avail any other banking facility like debit cards. In fact, banks must obtain explicit consent from the customer for providing digital banking services which may be duly recorded/document. The guidelines also require banks to install appropriate risk mitigation measures, according to their risk perception. The RBI has issued separate guidelines on Digital Banking Channels Authorisation for Commercial Banks, Small Finance Banks, Payments Banks, Local Area Banks, Regional Rural Banks, Urban Co-operative Banks and Rural Co-operative Banks.

### RBI consolidated Master Directions

To enhance clarity, ease of access and reduce compliance burden for Regulated Entities (REs), the RBI has undertaken a massive consolidation exercise of circulars/guidelines. Under this consolidation effort that involved more than 9000 circulars/guidelines, instructions contained in approximately 3500 directions, circulars and guidelines were consolidated into 238 Master Directions (MDs), across 11 types of REs. These include (a) Commercial Banks; (b) Small Finance Banks; (c) Payments Banks; (d) Local Area Banks; (e) Regional Rural Banks; (f) Urban Co-operative Banks; (g) Rural Co-operative Banks; (h) All India Financial Institutions; (i) Non-Banking Financial Companies; (j) Asset Reconstruction Companies; and (k) Credit Information Companies. These MDs will serve as the sole library of regulations administered by the Department of Regulation. Instructions contained in remaining directions/circulars have been identified as obsolete and 9445 circulars stood repealed/withdrawn after the consolidated MDs were issued.

### Digital Personal Data Protection Rules, 2025

The Government of India has notified the Digital Personal Data Protection (DPDP) Rules, 2025 to curb unauthorized commercial use of data, reduce digital harms and create a safe space for innovation. The Rules establish a fully digital Data Protection Board of India. The Board functions as an independent body that oversees compliance, inquires into breaches and ensures that corrective measures are taken. The Act places clear responsibilities on Data Fiduciaries to keep personal data safe and to stay accountable for its use; and has provision for substantial financial penalties for non-compliance by them.

## Banking Policies

### Foreign Exchange Management (Export of Goods and Services) (Second Amendment) Regulations, 2025

RBI released the Directions to give exporters additional time to complete transactions and manage working capital under challenging global demand and logistic conditions. As per the revised norms, exporters of goods/software/services are now allowed 15 months (up from 9 months) from the date of export to realise and repatriate the full export value or as specified by RBI in consultation with Government of India. In cases where advance payment has been received, exporters now have up to 3 years (instead of 1 year) to ship the goods, whichever is later, as per contractual agreement.

### RBI released trade relief measures

RBI has issued trade relief measures. Accordingly, moratorium or deferment has been permitted on payment of term-loan instalments and on recovery of interest on working capital loans for amounts that are due between September 1, 2025 and December 31, 2025. Banks and other lenders have been permitted to recalculate drawing power under working capital facilities by reducing margins or reassessing the limits during the aforementioned period. For credit disbursed up to March 31, 2026, the maximum credit period available for pre-shipment and post-shipment export credit has been increased from one year to 450 days. For exporters who availed packing-credit facilities on or before August 31, 2025 but could not dispatch the goods, their lenders can liquidate the facility from any legitimate alternate sources.

## Banking Developments

### RBI classifies Municipal Debt Securities as eligible for repo transactions

To regulate the financial system, the RBI has revised the Repurchase Transactions Directions, 2025 to include Municipal Debt Securities as eligible securities for repo and reverse repo transactions, alongside Government and corporate debt securities. With RBI's prior approval, repo transactions may be traded on any recognized stock exchanges or an Electronic Trading Platform (ETP) duly authorised by the RBI or in the Over-the-Counter (OTC) market. The first leg of all repo transactions shall settle either on a T+0 or T+1 basis.

### Compounding of Contraventions under FEMA, 1999 revised by RBI to include new account number

To streamline the receipt of compounding application fee and 'sum for which a contravention is compounded' (compounding amount), the RBI has revised the Compounding of Contraventions under FEMA, 1999 to change the account details of the account where compounding application fee and compounding amount will be received through National Electronic Fund Transfer (NEFT) and Real Time Gross Settlement (RTGS).

### UPI-TIPS interlinkage to ease remittances between India and Euro Area

RBI has announced the interlinking of Unified Payments Interface (UPI) with the Eurosystem's TARGET Instant Payment Settlement (TIPS). The UPI-TIPS interlinkage will facilitate cross-border remittances between India and the Euro Area. RBI and NPCI International Payments Limited (NIPL) have been engaging with European Central Bank to operationalize this system including technical integration, risk management and settlement arrangements.

## Capital Market

### SEBI incentivizes distributors to encourage women, B-30 investor participation

To boost the participation of women investors and people from beyond top 30 (B-30) cities, the Securities and Exchange Board of India (SEBI) has introduced an incentive framework for Mutual Fund distributors. Accordingly, from February 2026, distributors bringing new individual investors (new PANs) from B-30 cities and new women investors from both T30 and B-30 locations will be eligible for up to ₹2,000 additional commissions per investor. The incentive structure will not be applicable for schemes like Exchange Traded Funds (ETFs), domestic fund of funds with more than 80% of Assets Under Management invested in domestic funds and short duration debt schemes like overnight, liquid, ultra-short duration and low duration.

### REITs reclassified by SEBI as equity instruments to boost market participation

To facilitate enhanced participation by Mutual Funds (MFs) and Specialized Investment Funds (SIFs) in Real Estate Investment Trusts (REITs), with effect from January 01, 2026, any investment made by MFs and SIFs in REITs shall be considered as investment in equity-related instruments. Infrastructure Investment Trusts (InvITs) shall continue to be classified as hybrid instruments for the purpose of investments by Mutual Funds and SIFs. Existing investment in REITs held by debt schemes of Mutual Funds and investment strategies of SIFs as on December 31, 2025, shall be grandfathered.

## Regulator Speaks

**Regulations must evolve, resolve challenges to combat market failures: Mr. Sanjay Malhotra, Governor, RBI**  
Regulation is a pragmatic response to the inherent limitations of unregulated markets in specific contexts, said Mr. Sanjay Malhotra, Governor, RBI at the Second V.K.R.V. Rao Memorial Lecture, Delhi School of Economics. Financial regulation operates in a different way as compared to other sectoral regulations, due to its interconnectedness, cascading effect and fragile nature. Regulations need to change when the context changes. To achieve good regulatory outcomes is almost always a collaborative effort by the Government, amongst regulators, the regulated and the broader community such as informed citizens, responsible financial institutions, engaged scholars and bright students who will shape the future of Indian financial system.

**Banking sector must embrace new technologies with wisdom: Mr. T Rabi Sankar, Deputy Governor, RBI**

Delivering a speech at the 12<sup>th</sup> SBI Banking & Economics Conclave, Mr. T Rabi Sankar, Deputy Governor, RBI,

highlighted the impact of transformational technologies on the banking sector. With powerful technologies like Artificial Intelligence (AI) and quantum computing making strides towards this sector, the challenge is how to embrace them with wisdom and purpose; and ensure that technological evolution is secure, inclusive, resilient and future-ready. Banks must be well-equipped to face these challenges while maintaining their central role in monetary transmission and financial stability.

#### **Adequate capitalisation is imperative for financial resilience: Mr. Murmu, Deputy Governor, RBI**

Speaking at the first International Conference on Central Bank Accounting Practices organised by RBI and the South East Asian Central Banks (SEACEN) Centre, Mr. Shirish Chandra Murmu, Deputy Governor, RBI opined that Central Banks of emerging and developing economies require adequate capitalisation to ensure financial resilience. In the absence of any internationally recognised risk capital framework, each Central Bank finds its own balance between the opportunity cost of Central Bank capital vis-vis the socio-economic cost and the negative consequences of under-capitalisation.

#### **Microfinance alleviates asymmetry in lending; must be made more inclusive: Mr. Swaminathan, Deputy Governor, RBI**

Microfinance bridges asymmetry by extending the benefits of formal finance to the excluded and help them create a transaction record. Now, the agenda must be to convert reach into inclusive growth, said Mr. Swaminathan J., Deputy Governor, RBI at the MFIN event. This can be achieved through better and tech-enabled underwriting, reasonable pricing and consistent customer protection. Credit decisions work best on understanding the full cash life cycle of the family. Product design must match the actual growth of small businesses. Taken together, the aim is to convert first access into regular use, regular use into stable income and stable income into a clear route to formal credit.

#### **Policy making gets strengthened by timely and topical statistics: Dr. Poonam, Deputy Governor, RBI**

Indian economy has been a high growth economy exhibiting both, resilience and agility, said Dr. Poonam Gupta at the Pre-release Consultative Workshop on Base Revision of Consumer Price Index (CPI), Gross Domestic Product (GDP) and Index of Industrial Production (IIP). Our statistical offerings, data and techniques must keep pace with the growing and rapidly evolving economy. Constantly evolving transformations can be best captured only by regularly updating and revising the existing data series, as well as constructing new ones. Planned enhancements include a redesign of the underlying data architecture, development of Application Programming Interfaces (APIs) for automatic retrieval, improved search and visualisation tools and harmonised user experience across the portal, mobile app and future digital channels.

## **Economic Wrap Up**

Department of Economic Affairs released Monthly Economic Review, October 2025. Its key highlights are as follows:

- The manufacturing [Purchasing Managers' Index \(PMI\)](#) rising to 59.2 from 57.5 in September.
- The average daily value of UPI transactions has shown YOY growth of 27.1% in November 2025 (as on November 18, 2025).
- Retail inflation has reached an all-time low in the current series, dropping to 0.25% in October 2025, down from 1.44% in September 2025.
- Net Foreign Direct Investment (FDI) to India for April-Sep FY26 increased to USD 24 billion from USD 15.6 billion, a year earlier.
- The share of households' financial investments in total financial assets has risen to 15.1%.
- In September 2025, bank credit to MSME showed a YoY increase of 19.7%, compared to an increase of 15.5% in September 2024. Within the MSME sector, the credit extended to the micro and small enterprises has registered an increase of 22% (YoY) in September 2025, up from 13.4% in September 2024.



## New Appointments

Name	Designation
Ms. Usha Janakiraman	Executive Director, Reserve Bank of India
Shri Amit Kumar Shrivastava	Executive Director, Punjab National Bank
Shri Sunil Kumar Chug	Executive Director, Canara Bank
Shri Amresh Prasad	Executive Director, Union Bank of India
Shri Prabhat Kiran	Executive Director, Bank of Maharashtra
Ms. Mini T. M.	Executive Director, Indian Bank
Shri Pramod Kumar Dwibedi	Executive Director, Bank of India

## Forex

Foreign Exchange Reserves			Trends in Foreign Exchange Reserve (US\$ Mn) last 6 months	
Item	As on November 28, 2025		Total Reserve (in US\$ Mn)	
	₹ Cr.	US\$ Mn.	1	2
1 Total Reserves	6137575	686227	702784	702784
1.1 Foreign Currency Assets	4982046	557031	698192	698192
1.2 Gold	946227	105795	694230	694230
1.3 SDRs	166610	18628	700236	700236
1.4 Reserve Position in the IMF	42692	4772	689733	689733
			686227	686227

Note: Data as reported on last Friday of respective month

Source: Reserve Bank of India

Base Rates of Alternative Reference Rates (ARRs) for FCNR (B) deposits as on November 28, 2025, applicable for the month of December 2025

ARR Name	Base Rates of ARR (%)
SOFR (USD)	4.05
SONIA (GBP)	3.969
€STR (EUR)	1.928
TONA (JPY)	0.478
CORRA (CAD)	2.2400

ARR Name	Base Rates of ARR (%)
AONIA (AUD)	3.60
SARON (CHF)	-0.037800
OCR (NZD)	2.25
SWESTR (SEK)	1.631
SORA (SGD)	1.0782

ARR Name	Base Rates of ARR (%)
HONIA (HKD)	1.40646
MYOR (MYR)	2.75
DESTR (DKK)	1.5380

Source: [www.fbil.org.in](http://www.fbil.org.in)

## Glossary

### Purchasing Managers' Index

Purchasing Managers' Index refers to monthly economic surveys of companies in which senior managers overseeing operations answer questions on business activity and its recent trends.

## Financial Basics

### Written-Down Value

Written-down value is the value of an asset after accounting for depreciation or amortization. It reflects an asset's current value by subtracting accumulated depreciation or amortization from its original cost. This value

is included on the company's balance sheet in its financial statements. It is also known as the book value or net book value of an asset.

## Institute's Training Activities

### Training Programmes for the month of December 2025

Programmes	Dates	Location
Programme on KYC, AML & CFT for Banks, NBFCs & FIs	9 <sup>th</sup> -20 <sup>th</sup> December, 2025	Virtual
Programme on Credit Monitoring and Recovery	10 <sup>th</sup> -12 <sup>th</sup> December, 2025	Virtual
Workshop on Banking Ombudsman & COPRA	12 <sup>th</sup> December, 2025	Virtual
Programme for Law Officers on Legal Risk, Compliance & Recovery in Banks, NBFCs & FIs	16 <sup>th</sup> -17 <sup>th</sup> December, 2025	Virtual
Programme on Executive Development Programme	16 <sup>th</sup> -18 <sup>th</sup> December, 2025	Professional Development Centre, Northern Zone, New Delhi
Programme on Mitigation strategies for credit & operational risk in banks	22 <sup>nd</sup> -23 <sup>rd</sup> December, 2025	Virtual
Programme on Business Analytics, Machine Learning and Artificial Intelligence and its Implication in Banks	22 <sup>nd</sup> -24 <sup>th</sup> December, 2025	Virtual
Workshop on Smart Banking with AI - A Deep Dive for Bankers	23 <sup>rd</sup> December, 2025	Virtual

## News from the Institute

### IIBF organised the 40<sup>th</sup> Sir Purshotamdas Thakurdas Memorial Lecture

On 3<sup>rd</sup> December 2025, the Institute held the 40<sup>th</sup> Sir Purshotamdas Thakurdas Memorial Lecture in virtual mode. The lecture was delivered by Prof. Manoj Kumar Tiwari, Director, Indian Institute of Management (IIM) Mumbai on "Knowledge Graph Integrated Credit Risk Assessment". The lecture was well received and attended by a wide number of bankers.

### IIBF conducted a 3-Day Trainers' Training Programme

As part of its academic capacity-building initiatives, IIBF organised a Trainers' Training Programme on 'Pedagogical Excellence & Industry-Relevant Teaching in Banking & Finance' for Faculty across its MoU Colleges and Universities, from December 3-5, 2025. The sessions emphasized effective teaching practices, soft-skill integration and enhanced student readiness for BFSI careers.

### IIBF organised joint Webinar on "Getting Started with Impact Management for Indian Banks"

IIBF organised joint webinar with United Nations Environment Finance Initiative (UNEP FI), Gesellschaft für Internationale Zusammenarbeit (GIZ) and Chartered Banker Institute under Principles for Responsible Banking (PRB) Academy on "Getting Started with Impact Management for Indian Banks" on November 27, 2025. The webinar provided insights on why impact management matters for Indian banks and the practical tools and resources available to start impact analysis and management.

### IIBF's 'Leaders Speak Series'

Shri Hare Krishna Jena, Managing Director and CEO, The Clearing Corporation of India Ltd. (CCIL), delivered an address to the XIV batch of Advanced Management Programme, under IIBF's Leaders Speak Series organised on November 30, 2025.

### IIBF invites papers/proposals under Micro and Macro Research 2025-26

Micro Research is a sort of an essay competition for life members of the Institute (bankers) to present their original ideas, thoughts and best practices on areas of their interest. Under Macro research, Institute encourages empirical research in which, the researchers can test their hypothesis through data (primary/secondary) from which, lessons can be drawn for the industry (banking & finance) as a whole. The last date for receipt of applications under Micro and Macro Research is February 28, 2026. For more details, please visit [www.iibf.org.in](http://www.iibf.org.in)

### IIBF invites applications under Diamond Jubilee and CH Bhabha Banking Overseas Research Fellowship (DJCHBBORF) for the year 2025-26

The Institute invites applications under Diamond Jubilee and CH Bhabha Banking Overseas Research Fellowship (DJCHBBORF) Scheme. The objective of the fellowship is to provide the successful candidate an opportunity to undertake a research study on the latest developments in the field of banking and finance in India or abroad. The last date for receipt of applications is February 28, 2026. For more details, please visit [www.iibf.org.in](http://www.iibf.org.in)

### Bank Quest Theme for upcoming issue

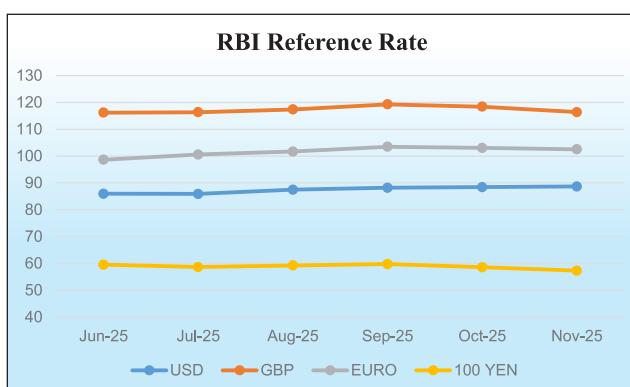
The theme for the upcoming issue of Bank Quest for the quarter October-December 2025 is "Emerging Technologies in Banking". The Sub-themes are: Applications of Generative Artificial Intelligence (AI), Ethical AI, Fraud Detection and Creating Early Warning Signals, Technologies for Project Appraisal and Credit Appraisal.

### Cut-off date of guidelines/important developments for examinations

The Institute has a practice of asking questions in each exam about the recent developments/guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. However, there could be changes in the developments/guidelines from the date the question papers are prepared and the dates of the actual examinations. In order to address these issues effectively, it has been decided that:

- In respect of the exams to be conducted by the Institute for the period from March to August of a calendar year, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 31<sup>st</sup> December will only be considered for the purpose of inclusion in the question papers.
- In respect of the examinations to be conducted by the Institute for the period September to February of a calendar year, instructions/ guidelines issued by the regulator(s) and important developments in banking and finance up to 30<sup>th</sup> June will only be considered for the purpose of inclusion in the question papers.

## Market Roundup



Source: FBIL



Source: Weekly Newsletter of CCIL

• Registered with Registrar of Newspapers Under RNI No. : 69228/1998

### Aggregate Deposit Growth (%)



Source: Monthly Review of the Economy, CCIL, November 2025

### Bank Credit Growth (%)



Source: Reserve Bank of India

### Non-food Credit Growth (%)



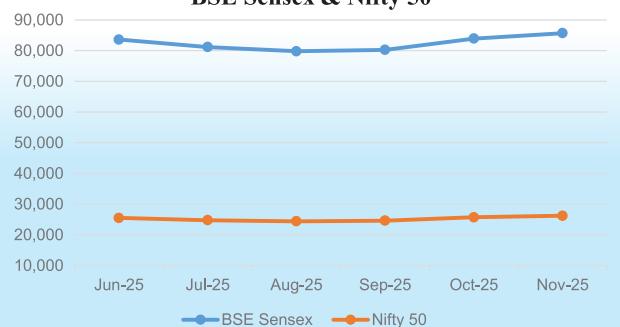
Source: Monthly Review of the Economy, CCIL, November 2025

### Crude Oil Price (\$/bbl.)



Source: PPAC, Ministry of Petroleum and Natural Gas

### BSE Sensex & Nifty 50



Source: BSE & NSE

### Gold Price 999 per gm (Rs.)



Source: Gold Price India

### Green Initiative

Members are requested to update their e-mail address with the Institute and send their consent to receive the Annual Report via e-mail.

**Printed by** Biswa Ketan Das, **Published by** Biswa Ketan Das, on behalf of Indian Institute of Banking & Finance, and **printed at** Onlooker Press 16, Sasoon Dock, Colaba, Mumbai - 400 005 and **published** at Indian Institute of Banking & Finance, Kohinoor City, Commercial-II, Tower-I, 2nd Floor, Kiroli Road, Kurla (W), Mumbai - 400 070.

**Editor :** Biswa Ketan Das

**INDIAN INSTITUTE OF BANKING & FINANCE**  
Kohinoor City, Commercial-II, Tower-I, 2nd Floor, Kiroli Road, Kurla (W), Mumbai - 400 070.  
Tel. : 91-22-6850 7000  
E-mail : admin@iibf.org.in  
Website : www.iibf.org.in