

## **MD and CEO's Press Statement on RBI's December 2025 Monetary Policy**

Dated December 5, 2025

“In anticipation of external uncertainties casting shadows on Indian’s growth prospects in the second half of 2025-26, the Monetary Policy Committee unanimously decided to cut the Repo rate by 25 basis points to 5.25 per cent on December 5, 2025, which is growth-supportive and proactive. In continuation of RBI’s developmental and regulatory policies announced on October 1, 2025, today’s rate cut decision will supplement the government’s recent initiatives like GST rationalization, tax breaks, notification of labour codes, etc., to minimize the adverse impact of global headwinds. Further, RBI’s decision to provide adequate liquidity through OMO purchases of Rs. 1,00,000 crore combined with liquidity neutral sell-buy swap of US\$ 5 billion in December will support monetary policy transmission, reduce cost of credit, and augment credit demand. The MPC used the available policy space at an appropriate time in perfect coordination with fiscal policy as the inflation expectations were benign.”

**Founder, MD & CEO, Sanjay Agarwal**