

Reserve Bank of India's Monetary Policy

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RBI MPC Live: Niranjan Shastri, Associate Professor (Finance), School of Business Management, NMIMS Indore

"RBI decided to maintain status quo in its recent monetary policy outcome keeping repo rate at 5.5%. This neutral stance shall allow systemic time for absorption of recent 100 basis points easing so as to keep liquidity remains supportive of investment and consumption without stoking price pressures.

This outcome was a demonstration of RBI's commitment to macro-economic stability and was also an attempt to hint predictability to businesses and consumers, fostering confidence in an otherwise uncertain global environment. Monetary Policy Committee appears confident in India's growth-inflation balance looking into projected CPI to 2.6% and GDP growth to robust 6.8% for FY26.

However, considering global headwinds including but not limited to US tariffs and currency volatility, a caution is always better. Governor Malhotra's tone suggests a dovish flexibility: the RBI is prepared to act if inflation stays benign and external risks intensify."

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RBI MPC Live: Mayank Joshipura, Ph.D. | Vice Dean, Research & Ph.D., Professor-Finance | School of Business Management, NMIMS, Mumbai

"The MPC decision to maintain status-quo is on expected lines. RBI frontloaded the rate cuts earlier in the year and there is room for a maximum 25 basis points cut from here on. RBI has raised FY26 GDP growth estimate to 6.8% which makes it almost impossible to justify the need for any rate cut to support the economic growth. In addition, a significant stimulus in form of the GST rate cuts have just kicked in a week before and there is no need for additional liquidity support. Any rate cut now would have been a case of wasting the silver bullet and leaving no room for rate cut when needed in future."

The Hindu Business Line

<https://www.thehindubusinessline.com/markets/share-market-nifty-sensex-highlights-1st-oct-2025/article70113673.ece>

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RBI Policy Live: 'विकास के लिए दर कटौती की आवश्यकता नहीं'

RBI Policy Live: NMIMS मुंबई के स्कूल ऑफ बिजनेस मैनेजमेंट में फाइनेंस प्रोफेसर और वाइस डीन डॉ. मयंक जोशीपुरा ने कहा, 'MPC की ओर से रेपो रेट में बदलाव नहीं होने का पहले से अनुमान था। RBI ने इस साल की शुरुआत में ही ब्याज दरों में काफी कटौती कर दी थी। अब यहां से अधिकतम 25 बेसिस पॉइंट्स की कटौती की ही गुंजाइश बचती है। आरबीआई ने FY26 के लिए जीडीपी ग्रोथ अनुमान को बढ़ाकर 6.8% कर दिया है, जिससे यह लगभग असंभव हो जाता है कि आर्थिक ग्रोथ को बढ़ावा देने के लिए रेट कट की आवश्यकता हो।'

उन्होंने आगे कहा, 'हाल ही में सरकार ने जीएसटी दरों में कटौती के रूप में बड़ा प्रोत्साहन दिया है, जो सिर्फ एक हफ्ता पहले लागू हुआ है। ऐसे में अतिरिक्त लिक्विडिटी सपोर्ट की कोई आवश्यकता नहीं है। अगर अभी रेट कट किया जाता, तो यह एक तरह से 'सिल्वर बुलेट' को बेकार करने जैसा होता और भविष्य में जरूरत पड़ने पर रेट कट के लिए कोई गुंजाइश नहीं बचती।'



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<https://hindi.moneycontrol.com/news/markets/rbi-mpc-meeting-2025-live-updates-rate-cut-repo-rate-by-rbi-governor-sanjay-malhotra-home-loan-latest-rate-liveblog-2199138.html>

Reserve Bank of India's Monetary Policy

Dr Esha Khanna, from Assistant Professor, Sarla Anil Modi School Of Economics, NMIMS Mumbai, said, "The Reserve Bank of India's (RBI) choice to keep key policy rates unchanged and adopt a neutral stance reflects a balanced strategy in light of the changing dynamics of growth and inflation. Since the previous policy announcement, inflation has declined primarily due to a reduction in food prices, especially for vegetables and pulses, along with improved supply conditions. This decrease may pave the way for additional policy easing aimed at stimulating growth."

Nevertheless, the Consumer Price Index (CPI) inflation is anticipated to surpass 4 percent from the fourth quarter of 2025-26, influenced by base effects and potential core inflation shocks stemming from global uncertainties, despite a stable core outlook. Growth indicators reveal a revised real GDP growth rate of 7.8 percent and a Gross Value Added (GVA) of 7.6 percent for the first quarter of 2025-26, supported by robust rural demand and recovery across various sectors.

Ongoing tariff and trade uncertainties present risks, alongside global factors that could hinder growth, despite a resilient external sector. The policy decision, which encompasses a cumulative rate reduction of 100 basis points since February 2025 and a significant reduction in Cash Reserve Ratio (CRR) cuts along with two-way operations, aims to sustain adequate banking liquidity in the context of surplus funds within banks.

She further added, "The Monetary Policy Committee's announcement of twenty-two additional measures is designed to enhance the resilience and competitiveness of the banking sector, improve credit flow, facilitate business operations, streamline foreign exchange management, boost consumer satisfaction, and encourage the internationalization of the Indian Rupee. These initiatives are vital for channeling financial resources into productive sectors, thereby supporting real economic activity."

United News of India (UNI)

<https://www.uniindia.com/~industry-experts-on-rbi-s-monetary-policy-status-quo-on-repo-rate-amid-global-headwinds/States/news/3596100.html>