PragatiSaathi

BUSINESS & FINANCE NEWS

🗓️ MONTHLY ROUNDUP — JUNE 2026

India Business & Finance Key Developments — What Every Loan Applicant & Entrepreneur Must Know

RBI holds repo rate, MSME credit surges 21.8%, bank lending rates fall — here is what June 2026's financial landscape means for your loan, business, and investment decisions.

📉 Repo Rate: 5.25%

📈 MSME Credit Growth: 21.8% YoY

🏦 Home Loans from 7.35%

💼 India GDP Outlook: 6.6%

📅 **Published: June 13, 2026 | Sourced from RBI, Banking Finance India, Economic Survey & RBI MPC Announcements**

EDITOR'S NOTE

Why This Monthly Update Matters for

You

At **Pragati Saathi Private Limited**, we prepare bank project reports daily — and we know that monetary policy, lending rates, and MSME credit conditions directly impact your loan sanction prospects. A lower repo rate means cheaper bank loans. Rising MSME credit means banks are actively lending. This June 2026 roundup translates macro news into **actionable intelligence for farmers, entrepreneurs, and loan applicants** across Madhya Pradesh and beyond.

5.25%
RBI Repo Rate
Held steady — June 5, 2026

21.8%
MSME Credit Growth
YoY as of Nov 2025

6.6%
GDP Forecast FY27
RBI revised projection

7.35%
Home Loan Rate
Bank of Maharashtra (from)

8.30%
Highest FD Rate
Small Finance Banks (Senior Citizens)

313
Billionaires by 2031
India — 51% growth from 2026

STORY 1 — MONETARY POLICY

RBI Holds Repo Rate at 5.25% — What It Means for Your Loan EMI

The Reserve Bank of India's Monetary Policy Committee (MPC), in its meeting from **June 3–5, 2026**, held the repo rate steady at **5.25%** for the second consecutive meeting. The neutral policy stance continues, balancing growth support against rising inflation projections.

> **Key RBI Rates (Effective June 5, 2026):**
> Repo Rate: **5.25%** | Reverse Repo Rate: **3.35%** | Bank Rate / MSF: **5.50%** | SDF Rate: **5.00%**

While the rate was held, the RBI has **revised its GDP growth forecast for FY2026-27 downward to 6.6%** from an earlier estimate of 6.9%. Inflation is now projected to average 5.1% — higher than the previous estimate of 4.6%, driven by rising LPG, base metal, plastics, and rubber prices. Despite this, **borrowing conditions remain far more affordable than two years ago**, when rates were at 6.50%.

Impact on Bank Loan Interest Rates

Following earlier rate cuts (the RBI cut rates by a cumulative 100 basis points since February 2025), multiple public sector banks have already passed on the benefits to borrowers:

Bank	Loan Type	Revised Rate	Change
Bank of	Home Loan	From	↓ 50

Maharashtra		7.35%	bps
Bank of Maharashtra	Car Loan	From 7.70%	↓ 50 bps
Canara Bank	External Benchmark Lending Rate	Reduced	↓ 50 bps
Union Bank of India	External Benchmark Lending Rate	Reduced	↓ 50 bps
Indian Overseas Bank	EBLR	Reduced	↓ 50 bps
Bank of Baroda	**MCLR (all tenors)**	**Reduced**	**↓ 5 bps**

💡 **Pragati Saathi Insight for Loan Applicants:** If you are planning to apply for a dairy loan, agri-business loan, or any bank-funded scheme like the Kamdhenu Yojana, **now is a good time**. With EBLR (External Benchmark Lending Rate) directly linked to the repo rate, your loan interest is at a multi-year low. This directly lowers your EMI burden and improves the **Debt Service Coverage Ratio (DSCR)** in your project report — making approval easier.

STORY 2 — MSME CREDIT BOOM

MSME Credit Grows 21.8% Year-on-

Year — Banks Are Actively Lending

India's MSME sector is experiencing an unprecedented credit expansion. According to the **Economic Survey 2026**, MSME credit grew by **21.8% year-on-year** (as of November 2025), with micro and small enterprises growing at an even sharper **24.6% YoY** — up from just 10.2% in November 2024.

21.8% MSME Credit Growth

Overall MSME lending outpacing large-industry credit — key driver of industrial momentum

30% of India's GDP

MSMEs contribute nearly one-third of India's GDP and 45% of total exports

240 Million Livelihoods

MSME sector provides employment to 240 million people — India's economic backbone

Data-Driven Underwriting

Banks now assess GST returns, account aggregators, and digital invoices for faster loan approval

The Government has also launched significant MSME-support measures in 2026. Under the **Export Promotion Mission**, a **2.75% interest subvention** on pre- and post-shipment credit has been announced, along with **collateral guarantee support of up to 85%** through CGTMSE for exporters. The MSME classification investment and turnover limits have been enhanced to **2.5x and 2x respectively**, allowing more businesses to access MSME-specific benefits.

> ⚠️ **Critical Point for Loan Seekers:** Banks are now increasingly rewarding applicants with clean CIBIL records, regular GST filing, and formal banking relationships. If your project report includes a strong **cash flow projection backed by documented income**, your chances of loan sanction improve significantly in the current lending environment.

STORY 3 — BANKING SECTOR

Public Sector Banks Post Strong Profits — Lending Capacity Grows

India's public sector banks — the primary funders of government-sponsored schemes — reported strong financial results for FY2025-26, signalling robust lending capacity ahead.

- ▶️ **Union Bank of India** posted a net profit of ₹5,316 crore for Q4 FY26 — a 6.6% year-on-year increase — with annual net profit rising to ₹18,697 crore, up 4% from FY25. Improved asset quality and lower NPAs supported the results.
- ▶️ **IndusInd Bank** reported a net profit of ₹594 crore for Q4 FY26, recovering sharply from a loss of ₹2,329 crore in the same quarter last year, following resolution of earlier accounting discrepancies.

- **Bank of Baroda** remains one of the fastest-growing major PSBs in terms of asset expansion, with strategic focus on retail and MSME loan disbursements.
- **Canara Bank** — nodal bank for schemes like Dr. Bhimrao Ambedkar Kamdhenu Yojana — cut its EBLR by 50 basis points, directly benefiting dairy and agri-business loan applicants.
- **IDBI Bank disinvestment** process remains under active review by Finance Minister Nirmala Sitharaman — a development that may reshape the public banking landscape in the coming months.

STORY 4 — FIXED DEPOSITS & SAVINGS

Small Finance Banks Offer Up to 8.30% FD Returns in June 2026

For depositors and conservative investors, Small Finance Banks continue to offer highly competitive Fixed Deposit interest rates — well above large commercial bank rates — making them an attractive option for farmers and entrepreneurs parking surplus funds.

Bank	Tenure	General Rate	Senior Citizen Rate	Effective From

Unity Small Finance Bank	501 Days	7.80%	8.30%	June 11, 2026
Equitas Small Finance Bank	888 Days	7.75%	8.25%	June 10, 2026
Unity Small Finance Bank	1 Year	7.50%	8.00%	June 11, 2026
AU Small Finance Bank	30 Months	7.40%	7.90%	June 2026

⚠️ **Small Finance Banks are RBI-regulated and DICGC-insured up to ₹5 Lakh per depositor**

💡 **Pragati Saathi Savings Advice:** If you are an entrepreneur building your **15% margin money** for a dairy or business loan, consider parking your savings in a Small Finance Bank FD at 7.5–7.8% to earn a safe return while your application is in process. Ensure deposits are DICGC-insured within the ₹5 lakh limit per institution.

STORY 5 — BIG PICTURE INDIA

India's Growth Story: Billionaires, Renewables & the GST 2.0 Era

WEALTH CREATION

India's Billionaire Count to Rise 51% by 2031

India's billionaire population is projected to grow from 207 in 2026 to 313 by 2031 — a 51% surge, outpacing China and the US — driven by rapid wealth creation in technology, industry, and capital markets. (Knight Frank Report)

RENEWABLE ENERGY

India Becomes World's No. 2 Wind Power Market

India commissioned a record 6.3 GW of wind capacity in 2025 — an 85% jump year-on-year — making it the world's second-largest wind power market outside China. Key players: Adani Green, Suzlon, and Inox Wind. (Bloomberg NEF)

TAX REFORM

New Income Tax Law & GST 2.0 Takes Shape

A new, simplified Income Tax law has been implemented, reducing compliance burden for small businesses. Plans for "GST 2.0" aim to further streamline indirect taxes and customs duties — a significant positive for MSMEs and traders.

STOCK MARKET

Top Stock Picks for June 2026

YES Securities has recommended Entero Healthcare, Maruti Suzuki, and Lupin as top picks for June 2026, citing 20–21% upside potential. Maruti benefits from the EV growth wave; Lupin shines in complex pharma exports. (Livemint)

India's GDP Revised: The RBI has lowered its GDP growth forecast for

> FY2026-27 to **6.6%** (from 6.9%), citing global headwinds, higher commodity prices, and a challenging interest rate environment globally. However, India continues to be the **fastest-growing major economy in the world**, making it a strong environment for business and entrepreneurship.

PRAGATI SAATHI SUMMARY

What This Means — Key Takeaways for Loan Applicants & Entrepreneurs

Here is how June 2026's financial news directly impacts your loan planning, project reports, and business decisions:

- ✔ **Repo Rate at 5.25%:** Loan interest rates (EBLR/RLLR) are at a multi-year low — ideal time to apply for bank loans for dairy, agri-business, or MSME ventures. Your EMIs will be more manageable, improving DSCR in your project report.
- ✔ **PSB Lending Rates Falling:** Canara Bank, Union Bank, and Bank of Maharashtra have cut rates. For scheme loans like Kamdhenu Yojana, this means lower actual interest cost over the loan tenure.

- ✔ **MSME Credit Booming:** Banks are actively disbursing MSME loans. A clean CIBIL record, formal banking, and a well-prepared project report are your biggest assets right now.
- ✔ **Strong FD Returns Available:** If building margin money (15% own contribution), park savings in Small Finance Bank FDs at 7.5–8.3% for safe, guaranteed returns.
- ✔ **Farmer Welfare Year 2026:** Government of MP has declared 2026 the "Farmer Welfare Year" — scheme budgets are actively disbursed. Apply early for best results.
- ✔ **GST 2.0 & Tax Simplification:** New income tax laws and simplified GST create a more business-friendly environment. Maintain proper books and GST records to strengthen your credit profile with banks.

HOW WE CAN HELP

Need a Bank-Ready Project Report?

At **Pragati Saathi Private Limited**, we specialise in preparing **professionally structured project reports** for all nationalised bank loans — dairy schemes, MSME loans, agri-business, and more. Our reports include:

📋

Technical Feasibility Report

Shed layout, breed selection, feed plan, water management — fully aligned to bank norms

💰

5-Year Financial Projections

Income & expenditure, cash flows, DSCR, repayment schedule as bankers require

📊

Subsidy & Margin Calculation

Accurate subsidy workings (SC/ST vs General), margin money, net loan burden

✅

Document Checklist Support

Guidance on every document — land records, Aadhaar, training certificate, bank passbook

Disclaimer: *This blog is prepared by Pragati Saathi Private Limited for public awareness and financial literacy purposes. All data is sourced from official RBI announcements, Banking Finance India, Economic Survey 2026, KPMG, Deloitte, IBEF, and reputed news sources as of June 2026. Interest rates, repo rate figures, and policy details are subject to change. Readers are advised to verify current rates with their respective banks before making financial decisions. This is not investment advice. Pragati Saathi prepares project reports and financial advisory services — we are not a registered investment advisor or bank.*

Pragati Saathi Private Limited

Helping farmers, entrepreneurs, and youth across Madhya Pradesh access the right government schemes through professionally prepared project reports and financial advisory services.

📋 **Need a Project Report? Contact Pragati Saathi — Your Trusted Financial Consultant**