

Announcements: RBI Governor: 22/05/2020

1. Term loan moratorium extended till August 31 The loan moratorium will be extended till August 31, says RBI governor Shaktikanta Das. This makes it a six month moratorium. He added that the lending institutions are being permitted to restore the margins for working capital to the origin level by March 31, 2021.
2. RBI governor Shaktikanta Das begins his speech. Says we (Indians) must have faith in India's resilience to overcome all odds.
3. Reduce repo rate by 40 bps to 4 percent. Interest rate will reduce.
4. Volume of world trade can shrink by 13-32 percent this year
5. There is a collapse in demand in both urban and rural demand since March 2020. This, he said, has taken a toll on fiscal revenues
6. The biggest blow from COVID-19 came from private consumption slump with consumer durables production falling 33 percent in March 2020
7. Food inflation is now under pressure
8. There will be gradual revival of activity and demand by the second half
9. In order to provide greater flexibility of SIDBI, another 90 days extension for the 90-day term loan facilities will be offered
10. facility of Rs 15,000 crore line of credit for 90 days for US dollar swap facility will be provided to EXIM Bank