



COVID - 19: DAILY UPDATE

FRIDAY 17th APRIL, 2020



AHMEDABAD | BENGALURU | KOLKATA | NEW DELHI | MUMBAI





EXEMPTION OF ADDITIONAL ACTIVITIES DURING COVID-19

The Ministry of Home Affairs via Press Release ID: 1615255, dated 17.04.2020 has provided exemption to certain additional activities from restrictions and prohibitions imposed owing to lockdown in the Country for fighting COVID-19.

The additional exempted activities are listed as below:

- Collection, harvesting and processing of Minor Forest Produce/ Non-timber Forest Produce by Scheduled Tribes and other forest dwellers in forest areas.
- Bamboo, coconut, arecanut, cocoa, spices plantation and their harvesting, processing, packaging, sale and marketing.
- NBFCs including Housing Finance and Micro Finance Companies with minimum staff.
- Cooperative Credit Societies.
- Construction Activities in rural areas to include water supply and sanitation, layering/erection of power transmission lines and laying of telecom optical fiber and cable along with related activities.

The inclusion of aforesaid activities into exempted activities will ensure a continued and hassle-free functioning subject to the compliances with relevant guidelines. The aforesaid Press Release of Ministry of Home Affairs has come to provide clarity on the consolidated guidelines issued by the Ministry on 15.04.2020 to fight Pandemic COVID-19 in the Country.



RBI PRESS CONFERENCE

The Reserve Bank of India (RBI) Governor Shaktikanta Das vide Press Conference dated 17.04.2020, announced relief measures to maintain adequate liquidity in system, facilitate bank credit flow and ease financial stress.

Exempt from declaration of dividend:

Banks shall be exempted from making dividend payment in the light of financial difficulties posed by COVID-19 pandemic for FY 2019-2020

Reverse repo rate cut:

RBI has observed 6.9 lakh cr. Fixed repo rate to be reduce by 25% from 4% to 3.75%, this will encourage banks to lend to the productive sectors of the economy.

Additional Funds to Financial Institutes:

Funds has been announced to financing institutions like NABARD – 25000 Cr, SIDBI – 15000Cr, NHB – 10,000cr

Long-term repo operation

RBI will begin with giving an additional Rs 50,000 crore through targeted long-term repo operation (TLTRO) to be undertaken in tranches.

Liquidity coverage ratio (LCR):

The liquidity coverage ratio (LCR) of scheduled commercial banks will be brought down to 80% from the existing 100% with immediate effect.



Moratorium Period:

RBI governor stated that the 90-day norm will not apply on moratorium granted on existing loans by banks.

NBFC:

NBFC's to give relaxations in NPA classifications for their borrowers

Ways and Means Advances for States (WMA):

WMA limit of states has been increase by 60 per cent over and above the level as on March 31, 2020 to provide greater comfort to the states for undertaking COVID-19 containment and mitigation efforts, and to plan their market borrowing programmes better. The increased limit will be available till September 30, 2020

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ABOUT US

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