

Info Capsule

April 08, 2019



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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CHANGE IN BANK RATE

RBI/2018-19/162

DBR.No.Ret.BC.33/12.01.001/2018-19

April 04, 2019

The Chairperson / CEOs of all Scheduled and Non Scheduled Banks

Dear Sir / Madam,

Change in Bank Rate

Please refer to our [circular DBR.No.Ret.BC.23/12.01.001/2018-19](#) dated February 07, 2019 on the captioned subject.

2. As announced in the [First Bi-Monthly Monetary Policy Statement 2019-20 of April 04, 2019](#), the Bank Rate is revised downwards by 25 basis points from 6.50 per cent to 6.25 per cent with immediate effect.

3. All penal interest rates on shortfall in reserve requirements, which are specifically linked to the Bank Rate, also stand revised as indicated in the [Annex](#).

Yours faithfully

(Dr. S. K. Kar)
Chief General Manager

Encl. : As above

Penal Interest Rates which are linked to the Bank Rate

Item	Existing Rate	Revised Rate (With immediate effect)
Penal interest rates on shortfalls in reserve requirements (depending on duration of shortfalls).	Bank Rate plus 3.0 percentage points (9.50 per cent) or Bank Rate plus 5.0 percentage points (11.50 per cent).	Bank Rate plus 3.0 percentage points (9.25 per cent) or Bank Rate plus 5.0 percentage points (11.25 per cent).

Source: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11527&Mode=0>

Liquidity Adjustment Facility – Repo and Reverse Repo Rates

RBI/2018-2019/160

FMOD.MAOG.No.130/01.01.001/2018-19

April 4, 2019

All Liquidity Adjustment Facility (LAF) participants

Madam/Sir,

Liquidity Adjustment Facility – Repo and Reverse Repo Rates

As announced in the [First Bi-monthly Monetary Policy Statement, 2019-20](#), today, it has been decided by the Monetary Policy Committee (MPC) to reduce the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.25 per cent to **6.00 per cent** with immediate effect.

2. Consequently, the Reverse Repo rate under the LAF stands adjusted to **5.75 per cent** with immediate effect.

3. All other terms and conditions of the extant LAF Scheme will remain unchanged.

Yours sincerely

(Radha Shyam Ratho)
Chief General Manager

Source: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11525&Mode=0>
