

India's Cleanest City Indore Becomes First in the Country to Opt for Drones to Sanitise City amid Coronavirus Scare

Indore, the cleanest city of India in Madhya Pradesh, has deployed drones to sanitize city areas against the coronavirus outbreak.

This makes Indore as the first city in the country to attempt to fight off the virus scare this way.

The initiative is a first-of-its kind attempt by which crowded areas are sanitised with the help of drones sprinkling chemicals.

The Indore Municipal Corporation has hired two drones for this purpose.

These drones take off with 16 litres of chemicals in each flight and return after 30 minutes having sprayed chemicals in an area spanning 8-10km.

RBI cuts Repo Rate by 75 bps to 4.4%; Reverse RR to 4.0%

RBI Governor, Shaktikanta Das has announced that MPC Meet was conducted on 24,26 and 27 March.

As per the Seventh Bi-monthly Monetary Policy Statement, 2019-20 Resolution of the Monetary Policy Committee (MPC) it has been decided to cut Repo Rate by 75bps to 4.40% from earlier 5.15%.

Reverse Repo Rate has been cut by 90 bps from 4.90% to 4.00%.

MSF and Bank rate stands at 25bps above Repo Rate at -> 4.65%

Cash Reserve Ratio has been cut by 100 bps to 3%. The requirement of a minimum 90% daily CRR balance has been reduced to 80% effective from fortnight beginning March 28, 2020. This is a one-time facility available upto June 26, 2020.

The stance of MPC is accommodative.

This time MPC has refrained from giving any GDP growth or inflation numbers. This is because the outlook is extremely volatile due to the coronavirus pandemic.

Repo Rate- 4.40%

Reverse Repo Rate- 4.00%

MSF- 4.65%

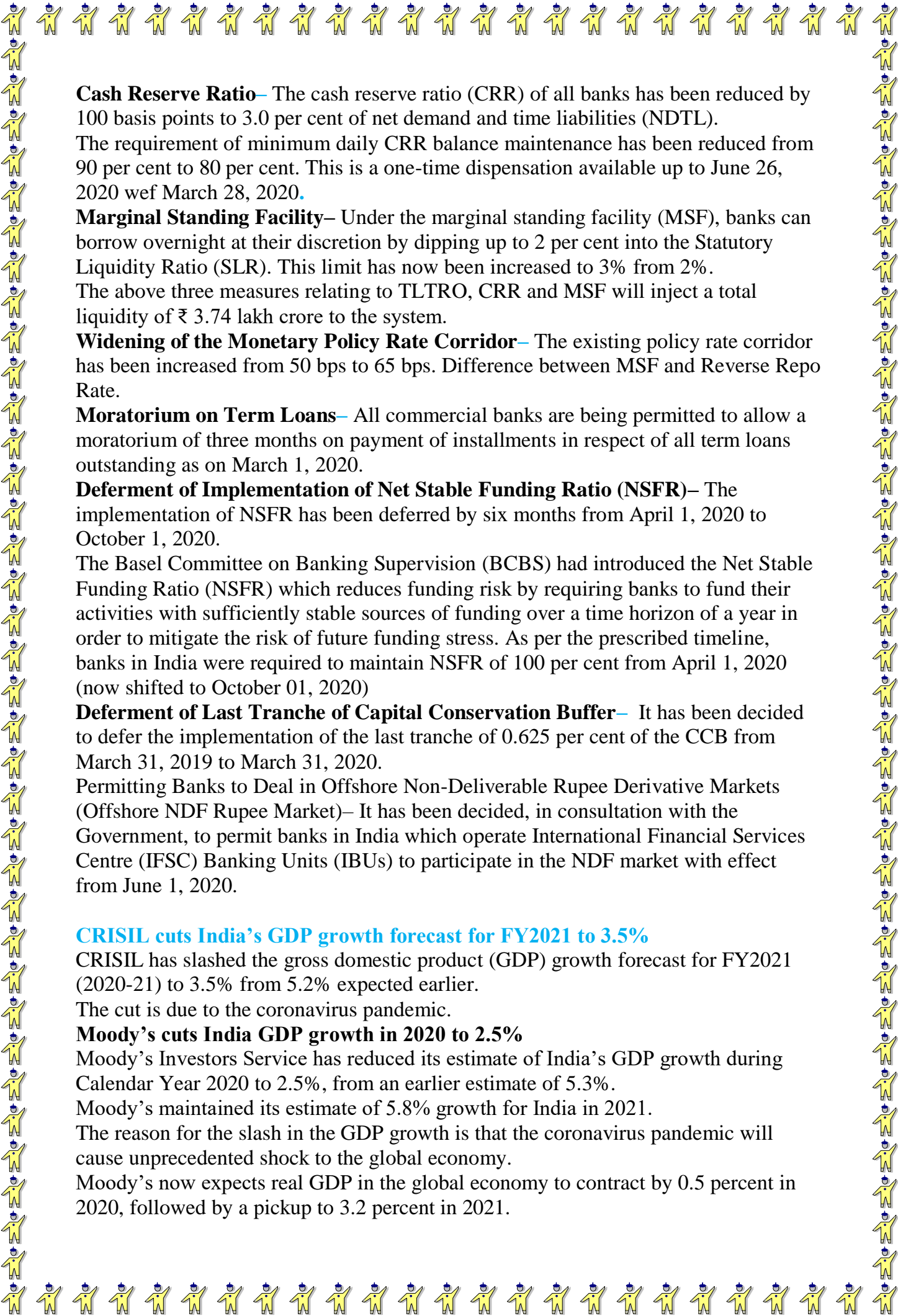
Bank Rate- 4.65%

CRR- 3%

Developmental and Regulatory Policies announced in Seventh Bi-monthly Monetary Policy Statement, 2019-20

Here is the list of important Developmental and Regulatory Policies announced in the Seventh Bi-monthly Monetary Policy Statement, 2019-20 Resolution of the Monetary Policy Committee (MPC). These are very important for banking exams.

Targeted Long Term Repos Operations (TLTROs)– Reserve Bank will conduct auctions of targeted term repos of up to three years tenor of appropriate sizes for a total amount of up to ₹ 1,00,000 crore at a floating rate linked to the policy repo rate.



Cash Reserve Ratio– The cash reserve ratio (CRR) of all banks has been reduced by 100 basis points to 3.0 per cent of net demand and time liabilities (NDTL). The requirement of minimum daily CRR balance maintenance has been reduced from 90 per cent to 80 per cent. This is a one-time dispensation available up to June 26, 2020 wef March 28, 2020.

Marginal Standing Facility– Under the marginal standing facility (MSF), banks can borrow overnight at their discretion by dipping up to 2 per cent into the Statutory Liquidity Ratio (SLR). This limit has now been increased to 3% from 2%. The above three measures relating to TLTRO, CRR and MSF will inject a total liquidity of ₹ 3.74 lakh crore to the system.

Widening of the Monetary Policy Rate Corridor– The existing policy rate corridor has been increased from 50 bps to 65 bps. Difference between MSF and Reverse Repo Rate.

Moratorium on Term Loans– All commercial banks are being permitted to allow a moratorium of three months on payment of installments in respect of all term loans outstanding as on March 1, 2020.

Deferment of Implementation of Net Stable Funding Ratio (NSFR)– The implementation of NSFR has been deferred by six months from April 1, 2020 to October 1, 2020.

The Basel Committee on Banking Supervision (BCBS) had introduced the Net Stable Funding Ratio (NSFR) which reduces funding risk by requiring banks to fund their activities with sufficiently stable sources of funding over a time horizon of a year in order to mitigate the risk of future funding stress. As per the prescribed timeline, banks in India were required to maintain NSFR of 100 per cent from April 1, 2020 (now shifted to October 01, 2020)

Deferment of Last Tranche of Capital Conservation Buffer– It has been decided to defer the implementation of the last tranche of 0.625 per cent of the CCB from March 31, 2019 to March 31, 2020.

Permitting Banks to Deal in Offshore Non-Deliverable Rupee Derivative Markets (Offshore NDF Rupee Market)– It has been decided, in consultation with the Government, to permit banks in India which operate International Financial Services Centre (IFSC) Banking Units (IBUs) to participate in the NDF market with effect from June 1, 2020.

CRISIL cuts India's GDP growth forecast for FY2021 to 3.5%

CRISIL has slashed the gross domestic product (GDP) growth forecast for FY2021 (2020-21) to 3.5% from 5.2% expected earlier.

The cut is due to the coronavirus pandemic.

Moody's cuts India GDP growth in 2020 to 2.5%

Moody's Investors Service has reduced its estimate of India's GDP growth during Calendar Year 2020 to 2.5%, from an earlier estimate of 5.3%.

Moody's maintained its estimate of 5.8% growth for India in 2021.

The reason for the slash in the GDP growth is that the coronavirus pandemic will cause unprecedented shock to the global economy.

Moody's now expects real GDP in the global economy to contract by 0.5 percent in 2020, followed by a pickup to 3.2 percent in 2021.



ICRA predicts India's GDP growth for FY21 at 2%

Rating agency ICRA has predicted the GDP Growth rate for India in 2020-21 (FY21) at 2% due to the coronavirus impact.

For FY20, ICRA had predicted the GDP growth rate for India at 5%.

Sidbi to provide loans up to Rs 50 lakh to MSEs manufacturing medical supplies to fight COVID-19

Small Industries Development Bank of India (SIDBI) will provide loans up to Rs 50 lakh to micro and small enterprises (MSEs) that are manufacturing medical supplies for fighting the novel coronavirus (COVID-19).

The Sidbi Assistance to Facilitate Emergency (SAFE) will offer loans to MSEs at a fixed interest rate of 5% and with a maximum loan repayment tenure of five years.

The loans offered are collateral-free and will be sanctioned within 48 hours of applying and submission of documents.

Highlights of Extraordinary Virtual G20 Leaders' Summit

An Extraordinary Virtual G20 Leaders' Summit was held on 26 March 2020 to discuss the challenges posed by the outbreak of the COVID-19 pandemic and ways to move forward in coordinating global efforts to combat the Corona crisis.

The Video Summit was chaired by Saudi Arabia. Indian delegation was led by Prime Minister Narendra Modi.

Besides the G20 members, the summit also had leaders from the invited countries – Spain, Jordan, Singapore, and Switzerland, as well as international organizations – United Nations, World Bank, IMF, World Health Organization and World Trade Organization.

PM Modi informed that 90% of the COVID-19 cases and 88% of deaths were in G20 countries. G20 nation share 80% of world GDP and 60% of world population.

G20 countries committed to inject over USD 5 trillion into the global economy to counter the social and economic impact of COVID-19.

At the end of the Summit, a G20 Leaders' Statement was issued which called for a coordinated global response to fight the pandemic, adopting measures to safeguard the global economy, minimising trade disruption and steps to enhance global cooperation.

UN launches US\$2 billion Global Humanitarian Response Plan to fight COVID-19

United Nations Secretary-General António Guterres has launched a US\$2.012 billion coordinated COVID-19 Global Humanitarian Response Plan (HRP) to fight COVID-19 in some of the world's most vulnerable countries.

The Global HRP has been launched for a period of nine months (April–December 2020)

The response plan will be coordinated by UN's Office for the Coordination of Humanitarian Affairs, and will bring together requirements from World Health Organization and other UN humanitarian agencies.

To kick-start the response plan, \$60 million has been released from the UN's Central Emergency Response Fund (CERF)



The Response plan will provide following benefits:

deliver essential laboratory equipment to test for the virus, and medical supplies to treat people;

install handwashing stations in camps and settlements;

launch public information campaigns on how to protect yourself and others from the virus; and

establish airbridges and hubs across Africa, Asia and Latin America to move humanitarian workers and supplies to where they are needed most.

Brahmakumaris Chief Dadi Janki Passes Away at 104

Rajyogini Dadi Janki, the chief of Brahma Kumaris Sansthan, the world's largest spiritual organisation run by women, has passed away after prolonged illness. She was 104.

She has been engaged with the organisation since 1937 and set up 'Seva Kendras' in 140 countries around the world.

She was appointed the brand ambassador of Swachh Bharat Abhiyan (Clean India Mission) by the government for her work in the field of maintaining cleanliness.

Artist Satish Gujral passes away at 94

Indian artist, architect, sculptor and writer Satish Gujral passed away at the age of 94. He held exhibitions across the world and later also became a famous architect, designing the Belgium Embassy in New Delhi.

He wrote his autobiography "A Brush With Life".

Padma Shri Awardee Veteran Photographer Nemai Ghosh Passes Away at 86

Noted Indian photographer Nemai Ghosh, mostly known for working with filmmaker Satyajit Ray as a still photographer, passed away suffering from age-related ailments. He was 86.

He was awarded the Padma Shri by Government of India in 2010.

Ghosh worked with Satyajit Ray for two decades as a still photographer where he captured the master craftsman in different moods at sets besides framing actors as they faced camera.

He made his debut with Goopy Gyne Bagha Byne (1969) and was with Satyajit Ray till his last film Agantuk (1991).