



Reserve Bank stands pat on rates

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Reserve Bank stands pat on rates-Statutory liquidity ratio cut to 18% from 19.5% with a view to boosting credit

- The Reserve Bank of India (RBI) has left the key interest rate or the repo rate unchanged at 6.5% during the fifth bimonthly monetary policy review which was on expected lines while maintaining the 'calibrated tightening' stance though it reduced the inflation projection sharply.
- During the post-policy interaction, RBI Governor Urjit Patel said the central bank was ready to take policy action if upside risks to inflation did not materialise.

Oil price decline

- The sharp fall in inflation comes on the back of 30% decline in crude oil prices in November compared with October.

Retains GDP growth rate

- The RBI decided to retain GDP growth rate for 2018-19 at 7.4% and estimated growth at 7.5% for the first half of the next financial year.
- In a move to boost credit flows, the central bank has decided to reduce the statutory liquidity ratio (SLR) requirement for banks to 18% of net demand and time liabilities from 19.5% over the next six quarters, by 25 bps each in every quarter.

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