

## RBI/2019-20/36 DBR.No.Ret.BC.10/12.01.001/2019-20

August 07, 2019

The Chairperson / CEOs of all Scheduled and Non Scheduled Banks

Dear Sir / Madam

## Change in Bank Rate

Please refer to our <u>circular DBR.No.Ret.BC.44/12.01.001/2018-19 dated June 06,</u> <u>2019</u>, on the captioned subject.

2. As announced in the <u>Third Bi-Monthly Monetary Policy Statement 2019-20 of</u> <u>August 07, 2019</u>, the Bank Rate is revised downwards by 35 basis points from 6.00 per cent to 5.65 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 <u>Annex</u>.

Yours faithfully,

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

Encl. : As above

बैंकिंग विनियमन विभाग, केंद्रीय कार्यालय, 5वीं मंजिल, अमर भवन, सर पी एम रोड , Ÿé¿¤¸fÄ 400001 Department of Banking Regulation, Central Office, 5<sup>th</sup> floor, Amar Building, Sir P.M. Road, Mumbai-400001 टेलीफोन/Tel No:02-22603000 Email ID: returnsco@rbi.org.in

हिंदी आसान है, इसका प्रयोग बढ़ाइए

## <u>Annex</u>

## Penal Interest Rates which are linked to the Bank Rate

Item	Existing Rate	Revised Rate
		(With immediate effect)
Penal interest rates on	Bank Rate plus 3.0	Bank Rate plus 3.0 percentage
shortfalls in reserve	percentage points (9.00	points (8.65 per cent) or Bank
requirements	per cent) or Bank Rate	Rate plus 5.0 percentage points
(depending on duration	plus 5.0 percentage	(10.65 per cent).
of shortfalls).	points (11.00 per cent).	