



RBI

MONETARY POLICY

2021

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RBI MONETARY POLICY 2021

Key Announcements

- Reversed Repo unchanged at 3.25%
- MSF and bank rate unchanged at 4.25%
- Stance of liquidity management continues to remain accommodative in the line with monetary policy.
- CRR to be restored gradually to 3.5% in March and 4% in May.
- Resident individuals can make remittances to IFSC's for NRI's.
- Retail investors can now access primary and secondary Government bond market.



RBI MONETARY POLICY 2021

Key Announcements

- RBI to come up with various guidelines for the MFI sector.
- RBI's retail direct facility to allow retail investors access to G-secs, both in the primary and secondary market.
- One nation, one ombudsman: Scheme to be rolled out to redress grievances from June 2021.
- RBI extends deadline for meeting capital conservation buffer of 0.625% till October 2021.



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Key Announcements

- The flow of financial resources to commercial sector is increasing.
- FDI and FPI flows in India have increased in recent months reflecting the faith reposed in India by the world.
- Investment oriented stimulus given under Atmanirbhar Bharat have begun to show result.
- After breaching the upper threshold continuously from June 2020, CPI-based inflation came below 6%.
- Inflation to be revised to 5.2% in Q4 of FY21.



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Key Announcements

- Vegetable prices are likely to remain soft in near term.
- Government to review inflation target for RBI by March 2021: inflation targeting has worked well.
- RBI to ensure Government market borrowing program function in non-disruptive manner.
- Real GDP growth projected at 10.50% in 2021-22
- Projection for CPI based inflation revised at 5.20% for Q4 of FY21, for Q1 of FY22 at 5% to 5.20% and for Q3 of FY22 at 4.30%





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