

भारतीय रिज़र्व बैंक RESERVE BANK OF INDIA

Website : www.rbi.org.in ई-मेल/email**:** helpdoc@rbi.org.in

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Extension of Interim Relaxation in WMA limits and OD regulations

फोन/Phone: 022- 22660502

संचार विभाग, केंद्रीय कार्यालय, एस,बी,एस,मार्ग, मुंबई-400001

Department of Communication, Central Office, S.B.S.Marg, Mumbai-400001

With a view to provide greater comfort to State Governments in undertaking COVID-19 containment and mitigation measures, and to enable them to plan their market borrowings, RBI had announced an increase in WMA limit of the States/UTs by 60% over and above the level as on March 31, 2020, vide its <u>press release dated April 17, 2020</u>.

Further, in order to provide flexibility to State Governments to tide over their cash flow mismatches, the overdraft (OD) regulations were relaxed, with effect from April 7, 2020 wherein it was decided to (a) increase the number of days for which a State/ UT can be in overdraft continuously to 21 working days from 14 working days; and (b) the number of days for which a State/ UT can be in overdraft in a quarter to 50 working days from 36 working days.

Both these relaxations are currently available till September 30, 2020.

On a review, it has been decided to extend the above-mentioned measures announced on <u>April 17, 2020</u> and <u>April 7, 2020</u> with regard to increase in WMA Limits of States/UTs and OD regulations, respectively, for a further period of 6 months till March 31, 2021.

All other stipulations remain unchanged.

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(Yogesh Dayal) Chief General Manager