

Benchmarks &gt;

Nifty LIVE10,233.20 141.55

NSE Gainer-Large Cap &gt;

Piramal Ent.

1,183.00 143.15

FEATURED FUNDS

Aditya Birla Sun Life Tax Relief  
96 Direct-Growth..

★★★★★

5Y RETURN

**7.67 %**

INVEST NOW

Stock Analysis, IPO, Mutual  
Funds, Bonds & More

Market Watch

# Plenty of liquidity available in the system: SBI chairman Rajnish Kumar

BY PTI | UPDATED: JUN 18, 2020, 06.11 PM IST

Post a Comment

KOLKATA: [State Bank of India](#) (SBI) chairman [Rajnish Kumar](#) on Thursday said that there is enough liquidity available in the system and also interest rates have moderated to a large extent. Speaking at a webinar organised by Bharat Chamber of Commerce, Kumar said that both the [RBI](#) and the government have taken measures to bring back the economy, derailed by the pandemic, back on track.

"The government and the RBI have taken measures to bring back the economy to the path of revival", he said.

Kumar said the RBI has been giving calibrated responses quickly and ensured that there is enough liquidity in the system.

According to him, interest rates have also moderated to a large extent.

He said that government has taken steps to make direct bank transfers, a lot of emphasis on helping the MSMEs and announced reforms in the areas of agriculture, defence and mining for creating a favourable investment climate.

"I believe the situation is returning to normal and many businesses are back to normal operating at 70 to 80 per cent capacity. Some of them

RELATED COMPANIES

EXPAND

State Bank O...

**Big Change:**  
The end of Five-Year Plans: All you need to know



Insight-rich stories you won't find elsewhere  
Trusted by 10,000+ CXOs & industry leaders

START YOUR TRIAL

According to him, the rural economy will play a critical role in the revival process.

The aviation, tourism, hospitality, services and construction sectors are the most affected, while agriculture is the least, Kumar said.

Regarding [the Supreme Court's](#) observation on moratorium on loans that banks are charging 'interest on interest', Kumar said SBI has filed an application for intervention along with [IBA](#).

"The matter is sub-judice and better to wait till August", he said.

Kumar also said that SBI is not charging higher interest rates for ratings downgrade.

He said, "we cannot imagine post-COVID situation at the moment and also don't know when it will come."

According to him, SBI's liquidity ratio of 143 per cent is not an indicator of the fact that the bank is not lending.

Regarding SBI, he said that the bank has sanctioned loan applications of two lakh MSMEs under the guarantee emergency credit line.

The MSMEs are managing this crisis very well, he said, adding that reassessment of working capital is going on.

Stay on top of business news with The Economic Times App. [Download it Now!](#)