

## Important Vocab for the Editorial

1. **lend a hand** (phrase) – assist, aid, help, support.
2. **a lending hand** (phrase) – a helping hand.
3. **step in** (phrasal verb) – act, take action, become involved, get involved.
4. **pandemic** (noun) – the worldwide spread of a new disease; The illness spreads around the world and typically affects a large number of people across a wide area.
5. **measure** (noun) – action, step, procedure.
6. **alleviate** (verb) – reduce, control, mitigate/moderate.
7. **constraint** (noun) – restriction, limitation, restraint; hindrance, impediment.
8. **timely** (adjective) – prompt, appropriate, opportune, well timed, at the right time.
9. **intervention** (noun) – the process of intervening in something; involvement, interference.
10. **furious** (adjective) – enraged, raging, infuriated, incensed.
11. **pace** (noun) – speed, rate.
12. **fatality** (noun) – death, casualty, mortality, victim, loss.
13. **mount** (verb) – increase, rise, escalate.
14. **overwhelm** (verb) – overload, overburden, beset, afflict/strain.
15. **infrastructure** (noun) – the basic physical or organisational structure for something (to function properly).
16. **significantly** (adverb) – notably, importantly, seriously, crucially.
17. **impair** (verb) – damage, diminish, reduce, weaken, spoil, impede, hinder.
18. **turn a corner** (phrase) – improve, get better, pick up, look up (after critical/difficult situation).
19. **debilitating** (adjective) – weakening, disabling, undermining, impairing.
20. **contraction** (noun) – In economics, it refers to a decline in national output as measured by gross domestic product.
21. **unfold** (verb) – happen, occur, take place, transpire.
22. **address** (noun) – speech, talk, discourse.
23. **acknowledge** (verb) – admit, accept, recognize, realize.
24. **stress** (verb) – emphasize, draw attention to, highlight, underline, underscore.

25. **imperative** (adjective) – all-important, crucial, critical, necessary, essential.
26. **livelihood** (noun) – means of making a living with the basic necessities (food, water, shelter and clothing); means of support, subsistence, source of income.
27. **calibrated** (adjective) – carefully assessed/analysed.
28. **moot** (verb) – put forward, introduce, advance, present.
29. **liquidity** (noun) – the availability of liquid assets; liquidity means liquid assets; cash; (liquid asset is an asset which can be easily sold/converted into cash without losing its value).
30. **credit** (noun) – loan.
31. **credit availability** (noun) the credit (loan) amount to which a borrower can access at a specific time.
32. **ramp up** (phrasal verb) – increase (in amount or number).
33. **lender** (noun) – financial institution (bank) which lends money.
34. **urge** (verb) – advise, recommend, suggest, encourage.
35. **expedite** (verb) – speed up, accelerate, quicken, hasten.
36. **entity** (noun) – organization, institution, establishment, outfit.
37. **vaccine** (noun) – a biological preparation that improves immunity to a particular disease.
38. **pathology** (noun) – a branch of medical science that involves the study and diagnosis of disease.
39. **ventilator** (noun) – a respirator, a device (used for a patient to breathe).
40. **logistics** (noun) – the process of planning & executing a complex operation; organization, planning, management, arrangement.
41. **spell out** (phrasal verb) – explain, make clear, elucidate/clarify.
42. **surge** (verb) – rise or increase suddenly.
43. **credit flow** (noun) – availability of credit.
44. **cognisant** (adjective) – aware, well informed about, familiar with.
45. **capital-stressed** (adjective) – relating to a bank which has not enough capital (to withstand a negative economic shock).
46. **central bank** (noun) – The banking regulator of a country's banking system. The Reserve Bank of India (RBI) is the central bank of India.
47. **unorganised sector/workforce/labour** (noun) – unorganized sector means an enterprise owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten.

48. Micro, Small and Medium Enterprise (MSME) (noun) – MSME stands for Micro, Small and Medium Enterprise (MSME), introduced by Government of India in agreement with Micro, Small & Medium Enterprises Development (MSMED) Act, 2006. It includes Enterprises engaged in the manufacture or production, processing or preservation of goods & Enterprises engaged in providing or rendering of services with some specific requirements.
49. enterprise (noun) – business, company, firm.
50. resolution framework (noun) – a resolution framework is to help the entities facing financial stress on account of disruption in normal business activity on account of coronavirus pandemic. So, borrowers opting for resolution of COVID-related stressed loans are not required to submit any specific plans.
51. provision (noun) – allocation, distribution, giving.
52. heartening (adjective) – encouraging, cheering, promising, gratifying.
53. worst-hit (adjective) – affected severely.
54. norms (noun) – standard, convention, guidelines, criterion.
55. lay down (phrasal verb) – formulate, stipulate, frame, draw up.
56. resolution (noun) – a plan with detailed steps to be followed by banks in case they face any difficulty.
57. proviso (noun) – condition/term, provision/clause, stipulation.
58. avail (verb) – use, utilize, take advantage of (an opportunity/resources).
59. lay (verb) – put.
60. onerous (adjective) – burdensome, difficult, tough, troublesome, stressful.
61. vulnerable (adjective) – relating to a weak/neglected person who is in need of special care/support/protection; ill-protected, easily affected by, prone to, at risk of.
62. unreasonably (adverb) – senselessly, illogically, unfairly, unacceptably.
63. sanguine (adjective) – optimistic, hopeful, confident, positive, cheerful (particularly in a difficult situation).
64. high frequency (adjective) – acute, sharp, piercing/high-pitched.
65. indicator (noun) – measure, signal, sign.
66. mixed signals (noun) – contradicting signals/indications.
67. dent (noun) – reduction, depletion, deduction, decrease.
68. aggregate demand (AD) (noun) – it is the total demand for final goods and services in an economy at a given time.
69. likely (adverb) – probably.

70. moderate (adjective) – average, modest; reasonable, acceptable.
71. so far (phrase) – until now, up to the present, up to this point.
72. contain (verb) – control, restrain, limit.
73. localise (verb) – limit/restrict to a particular place.
74. voice (noun) – expression; opinion, view.
75. lockdown (noun) – an emergency protocol implemented by the authorities that prevents people from leaving from a place; An extended state of confinement/encirclement/isolation of a person by the authority.
76. assumption (noun) – premise, belief, expectation, thought, notion.

A lending hand: On RBI and the second wave

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**The RBI has signalled it is aware of the burden on health-care providers during this period**

The Reserve Bank of India's move on Wednesday to step in and join the fight against the second wave of the pandemic through the announcement of measures aimed at alleviating any financing constraint for those impacted, including the health-care sector, State governments and the public, is a welcome and timely intervention. The furious pace at which new

COVID-19 infections and fatalities have been mounting in recent weeks has not only overwhelmed the nation's health infrastructure but has begun to significantly impair economic activity, just as the economy appeared to have turned the corner from last year's debilitating contraction. "The fresh crisis is still unfolding," Governor Shaktikanta Das said in his unscheduled address, acknowledging the challenge ahead. Stressing that it is imperative to both save lives and restore livelihoods, Mr. Das proposed a calibrated response, mooted a ₹ 50,000 crore term liquidity facility to boost credit availability for ramping up COVID-related health-care infrastructure and services. Lenders have been urged to expedite lending under this 'priority sector' classified scheme to entities including vaccine manufacturers, hospitals, pathology labs, suppliers of oxygen and ventilators, importers of COVID-related drugs and logistics firms. And although Mr. Das said the scheme would also cover patients requiring treatment, he failed to spell out how those most in need of financial assistance to cover their surging medical bills could borrow the funds. In directing the flow of credit to the sector most in focus at the moment, the RBI has signalled it is cognisant of the burden on health-care and allied providers. However, how much lending capital-stressed banks would be willing to write into their 'COVID loan books' remains to be seen.

The central bank's focus on small borrowers including unorganised businesses and MSM enterprises, both through enhanced provision of credit via small finance banks and a fresh resolution framework for existing borrowings, is also heartening as these economic participants were already among the worst-hit during last year's contraction. However, the norms laid down for resolution including the proviso that only those borrowers who had not already availed of restructuring assistance and whose loans were 'standard' as on March 31, 2021, would be eligible for fresh resolution lays an onerous burden on those that the RBI itself admits are the 'most vulnerable'. Mr. Das was also unreasonably sanguine about the economic impact of the second wave, even as he granted that "high frequency indicators are emitting mixed signals". The RBI's position that the dent to aggregate demand is likely to be only moderate is based on the fact that so far this year, the restrictions to contain the spread of the virus have been largely localised. With more and more voices from the Opposition to top industry groups urging a nationwide lockdown to break the chain of transmission, Mr. Das may need to very quickly revisit his assumptions.