**Certified Examination for Small Finance Banks**

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| --- | --- |
| **S.No.** | **RBI Notification** |
|  | Note Sorting Machines - Authentication and Fitness Sorting Parameters |
|  | Master Direction on Interest Rate on Deposits - Foreign Currency (Non-resident) Accounts (Banks) Scheme [FCNR(B)] and Non-Resident (External) Rupee (NRE) Deposit |
|  | Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs) |
|  | Gold Monetization Scheme (GMS), 2015 |
|  | Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021) |
|  | Authorised Dealer Category-I License eligibility for Small Finance Banks |
|  | Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents |
|  | Foreign Exchange Management (Overseas Investment) Regulations, 2022 |
|  | Foreign Exchange Management (Overseas Investment) Directions, 2022 |
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|  | Review of Prudential Norms – Risk Weights for Exposures guaranteed by Credit Guarantee Schemes (CGS) |
|  | Rupee Drawing Arrangement - Enabling Bharat Bill Payment System (BBPS) to process cross-border inbound Bill Payments |
|  | Master Directions on Interest Rate on Deposits |
|  | Late Submission Fee for reporting delays under Foreign Exchange Management Act, 1999 (FEMA) |
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|  | Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning |
|  | Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR) |
|  | Agency Commission for Direct Tax collection under TIN 2.0 regime |
|  | Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial years 2022-23 and 2023-24 |
|  | Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework |
|  | Notification of Significant Benchmark |
|  | Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures |

**Note Sorting Machines - Authentication and Fitness Sorting Parameters**

RBI/2022-23/79  
DCM(NPD)No.S488/18.00.14/2022-23

July 1, 2022

The Chairman/ Managing Director/ Chief Executive Officers  
All Banks

Dear Sir/Madam

**Note Sorting Machines - Authentication and Fitness Sorting Parameters**

Please refer to our [circular DCM(R&D)No.G-26/18.00.14/2009-10 dated May 11, 2010](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=5671&Mode=0) setting out ''Note Authentication and Fitness Sorting Parameters'' for the Note Sorting Machines installed in the banks.

2. In the backdrop of introduction of the new series banknotes, these parameters have been reviewed and a revised set of guidelines are [enclosed](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12347&Mode=0#GL) for implementation.

3. The guidelines shall be implemented with immediate effect.

Yours faithfully

(Sanjeev Prakash)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12347&Mode=0>

**Master Direction on Interest Rate on Deposits - Foreign Currency (Non-resident) Accounts (Banks) Scheme [FCNR(B)] and Non-Resident (External) Rupee (NRE) Deposit**

RBI/2022-23/82  
DOR.SOG (SPE).REC.No 53/13.03.000/2022-23

July 06, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
All Small Finance Banks  
All Local Area Banks  
All Payment Banks  
All Primary (Urban) Co-operative Banks/ DCCBs /State Cooperative Banks

Dear Sir / Madam,

**Master Direction on Interest Rate on Deposits - Foreign Currency (Non-resident) Accounts (Banks) Scheme [FCNR(B)] and Non-Resident (External) Rupee (NRE) Deposit**

Please refer to the instructions regarding interest rates on FCNR (B) deposits contained in Section 19 of the [Master Direction (MD) on Interest Rate on Deposits dated March 03, 2016](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10296) and Section 18 of the [Master Direction (MD) on Interest Rate on Deposits dated May 12, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10394). In this connection, banks are advised that with effect from July 07, 2022, the interest rate ceiling applicable to FCNR (B) deposits is being temporarily withdrawn for incremental FCNR (B) deposits mobilized by banks for the period until October 31, 2022.

2. Further, in terms of Section 15 (d) and Section 14 (d) of the above-mentioned MDs respectively, interest rates on NRE deposits shall not be higher than those offered by the banks on comparable domestic rupee term deposits. In this regard, the said restriction with respect to interest rates offered on incremental NRE deposits mobilized by banks shall be temporarily withdrawn with effect from July 07, 2022, for the period until October 31, 2022. The above relaxation shall not be applicable to Ordinary Non-Resident (NRO) Deposits.

3. These concessions will be subject to review.

4. All other instructions in this regard shall remain unchanged.

Yours faithfully,

(Santosh Kumar Panigrahy)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12350&Mode=0>

**Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs)**

RBI/2022-2023/97  
FIDD.CO.GSSD.BC.No.10/09.09.001/2022-23

August 1, 2022

The Chairman/ Managing Director / Chief Executive Officer  
All Scheduled Commercial Banks (including Small Finance Banks)

Madam/ Dear Sir,

**Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs)**

The Reserve Bank of India has, from time to time, issued a number of guidelines/instructions to banks on credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs). The enclosed [Master Circular](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0#MC1) consolidates the circulars issued by Reserve Bank on the subject till date, as listed in the [Appendix](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0#AP1).

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12365&Mode=0>

**Gold Monetization Scheme (GMS), 2015**

RBI/2022-23/100  
DoR.AUT.REC.58/23.67.001/2022-23

August 04, 2022

All Scheduled Commercial Banks  
(excluding Regional Rural Banks)

Dear Sir/Madam

**Gold Monetization Scheme (GMS), 2015**

In exercise of the powers conferred on the Reserve Bank of India under Section 35A of the Banking Regulation Act, 1949, the RBI makes the following amendments in the Reserve Bank of India (Gold Monetization Scheme, 2015) [Master Direction No.DBR.IBD.No.45/23.67.003/2015-16 dated October 22, 2015](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10084), with immediate effect.

2. The existing sub-para 2.2.2.(v) stands deleted (and hence the existing sub-paras 2.2.2.(vi) to 2.2.2.(viii) have accordingly been renumbered). The corresponding provisions have been suitably incorporated in sub-para 2.4.i.(a) and 2.4.i.(b).

3. The sub-para 2.2.2.(vii) has been amended to read as follows:

“Central Government has decided that with effect from November 5, 2016, designated banks will be paid handling charges (including gold purity testing, refining, transportation, storage and any other relevant costs) for a new MLTGD at a flat rate of 1.5% and commission at the rate of 1% of the rupee equivalent of the amount of gold mobilized under the scheme until further notice. In case of renewal of deposits, as banks will not incur any expenses on purity testing, refining, transportation, storage and insurance etc., the banks will only be given a fixed commission of 1% of the rupee equivalent of the amount of gold on the date of renewal towards their administrative and account maintenance cost.”

4. A new sub-para 2.4 has been inserted (and hence the existing sub-paras 2.4 to 2.10 have accordingly been renumbered) which reads as follows -

**Guidelines for Renewal/Redemption of MLTGD**

i. General

ii. Redemption in Gold

iii. Redemption in INR – Modalities

iv. Renewal of Deposit – Modalities

v. Partial Renewal and Partial Redemption in gold/INR – Modalities

Yours faithfully

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12368&Mode=0>

**Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021)**

**EXECUTIVE DIRECTOR**

**Reserve Bank of India  
Mumbai**

**Reserve Bank - Integrated Ombudsman Scheme, 2021 (RBIOS, 2021)**

**NOTIFICATION**

Ref.CEPD.PRD.No.S544/13.01.001/2022-23

August 5, 2022

In exercise of the powers conferred by sub section (1) of Section 11 of the Credit Information Companies (Regulation) Act, 2005, and in partial modification of its [notification CEPD. PRD. No. S873/13.01.001/2021-22 dated November 12, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12192&Mode=0), the Reserve Bank of India, being satisfied that it is in public interest to do so, and to provide an avenue for cost free alternate grievance redress to customers of regulated entities covered under the RBIOS 2021 (the Scheme) for grievances against Credit Information Companies, hereby directs that the ‘Credit Information Company’ as defined in the Credit Information Companies (Regulation) Act, 2005, shall also be treated as a ‘Regulated Entity’ for the purpose of the Scheme.

2. As a result, the Scheme shall also be applicable to Credit Information Companies to the extent not specifically excluded under the Scheme.

3. The amendment in the Scheme shall come into force w.e.f. September 1, 2022.

4. An updated version of the Scheme is [annexed](https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_amendments05082022.pdf).

(Anil Kumar Sharma)

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12371&Mode=0>

**Authorised Dealer Category-I License eligibility for Small Finance Banks**

RBI/2022-23/104  
DOR.LIC.REC.60/16.13.218/2022-23

August 8, 2022

Managing Director and Chief Executive Officers of Small Finance Banks

Madam/ Dear Sir,

**Authorised Dealer Category-I License eligibility for Small Finance Banks**

Please refer to the [‘Guidelines for Licensing of Small Finance Banks in Private Sector’ dated November 27, 2014](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=32614) and the [‘Guidelines for ‘on-tap’ Licensing of Small Finance Banks in Private Sector’ released by Reserve Bank on December 5, 2019](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=48807).

2. In terms of paragraph 4 of the aforesaid Licensing Guidelines, a small finance bank (SFB) can also become Authorised Dealer Category-II in foreign exchange business for its clients’ requirements.

3. With the objective of giving more flexibility to SFBs to meet their customers’ foreign exchange business requirement, it has been decided that all the scheduled SFBs, after completion of at least two years of operations as Authorised Dealer Category-II, will be eligible for Authorised Dealer Category-I license, subject to compliance with the eligibility norms given in the [Annex-I](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12373&Mode=0#AN1). The eligible SFBs may approach Foreign Exchange Department, Central Office, Reserve Bank of India with their applications along with the supporting documents with regard to their eligibility and requisite documents as specified in [Annex-II](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12373&Mode=0#AN2) for grant of Authorised Dealer Category-I license.

4. The other terms and conditions of the Licensing Guidelines remain unchanged.

Yours faithfully,

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12373&Mode=0#:~:text=It%20should%20have%20a%20minimum,in%20the%20preceding%20two%20years>.

**Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents**

RBI/2022-23/108  
DOR.ORG.REC.65/21.04.158/2022-23

August 12, 2022

Madam/ Sir,

**Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents**

The Reserve Bank of India has from time to time advised regulated entities (REs) that the ultimate responsibility for their outsourced activities vests with them and they are, therefore, responsible for the actions of their service providers including Recovery Agents (hereafter referred to as ‘agents’).

2. It has been observed that the agents employed by REs have been deviating from the extant instructions governing the outsourcing of financial services. In view of concerns arising from the activities of these agents, it is advised that the REs shall strictly ensure that they or their agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and/ or anonymous calls, persistently[1](https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#F1) calling the borrower and/ or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.

3. The instructions contained in para 2 above shall supplement and be read in conjunction with the existing guidelines/directions issued by the Reserve Bank of India, as amended from time to time, including those tabulated in [Annex](https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#AN).

4. Any violation in this regard by REs will be viewed seriously.

**Applicability**

5. This circular shall apply to the following REs:

1. All Commercial Banks (including Local Area Banks, Regional Rural Banks, and Small Finance Banks) excluding Payments Banks;
2. All All-India Financial Institutions (viz. Exim Bank, NABARD, NHB, SIDBI, and NaBFID);
3. All Non-Banking Financial Companies including Housing Finance Companies;
4. All Primary (Urban) Co-operative Banks, State Co-operative Banks, and District Central Co-operative Banks; and
5. All Asset Reconstruction Companies.

6. This circular shall not apply to microfinance loans covered under [‘Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022’, dated March 14, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12256).

Yours faithfully,

(Sunil T. S. Nair)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/scripts/FS_Notification.aspx?Id=12378&fn=2&Mode=0#:~:text=The%20Reserve%20Bank%20of%20India,to%20as%20'agents>').

**Foreign Exchange Management (Overseas Investment) Regulations, 2022**

**No. FEMA 400/2022-RB**

**August 22, 2022**

**Foreign Exchange Management (Overseas Investment) Regulations, 2022**

In exercise of the powers conferred by sub-section (1) and clause (a) of sub-section (2) of section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank hereby makes the following regulations, namely:–

**1. Short title and commencement.–** (1) These regulations may be called the Foreign Exchange Management (Overseas Investment) Regulations, 2022.

(2) They shall come into force on the date of their publication in the [Official Gazette](https://rbidocs.rbi.org.in/rdocs/content/pdfs/GazetteRegulations230822.pdf).

**2. Definitions.–** (1) In these regulations, unless the context otherwise requires,–

(a) “Act” means the Foreign Exchange Management Act, 1999 (42 of 1999);

(b) “debt instruments” shall have the same meaning as assigned to it in the [Foreign Exchange Management (Overseas Investment) Rules, 2022](https://rbidocs.rbi.org.in/rdocs/content/pdfs/GazetteRules23082022.pdf);

(2) The words and expressions used but not defined in these regulations shall have the meanings respectively assigned to them in the Act or the [Foreign Exchange Management (Overseas Investment) Rules, 2022](https://rbidocs.rbi.org.in/rdocs/content/pdfs/GazetteRules23082022.pdf).

3. Financial commitment by Indian entity by modes other than equity capital

4. Financial commitment by Indian entity by way of debt

5. Financial commitment by way of guarantee

6. Financial commitment by way of pledge or charge

7. Acquisition or transfer by way of deferred payment

8. Mode of payment

9. Obligations of person resident in India

10. Reporting requirements for Overseas Investment

11. Delay in reporting

12. Restriction on further financial commitment or transfer

(Ajay Kumar Misra)  
Chief General Manager-in-Charge

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12380&Mode=0>

**Foreign Exchange Management (Overseas Investment) Directions, 2022**

RBI/2022-2023/110  
A.P. (DIR Series) Circular No.12

August 22, 2022

All Category – I Authorised Dealer Banks

Madam/Sir

**Foreign Exchange Management (Overseas Investment) Directions, 2022**

Overseas investments by persons resident in India enhance the scale and scope of business operations of Indian entrepreneurs by providing global opportunities for growth. Such ventures through easier access to technology, research and development, a wider global market and reduced cost of capital along with other benefits increase the competitiveness of Indian entities and boost their brand value. These overseas investments are also important drivers of foreign trade and technology transfer thus boosting domestic employment, investment and growth through such interlinkages.

2. In keeping with the spirit of liberalisation and to promote ease of doing business, the Central Government and the Reserve Bank of India have been progressively simplifying the procedures and rationalising the rules and regulations under the Foreign Exchange Management Act, 1999. In this direction, a significant step has been taken with operationalisation of a new Overseas Investment regime. [Foreign Exchange Management (Overseas Investment) Rules, 2022](https://rbidocs.rbi.org.in/rdocs/content/pdfs/GazetteRules23082022.pdf) have been notified by the Central Government vide Notification No. G.S.R. 646(E) dated August 22, 2022 and [Foreign Exchange Management (Overseas Investment) Regulations, 2022](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12380&Mode=0) have been notified by the Reserve Bank vide Notification No. FEMA 400/2022-RB dated August 22, 2022 in supersession of the [Notification No. FEMA 120/2004-RB dated July 07, 2004](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=2126&Mode=0) [Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2004] and [Notification No. FEMA 7 (R)/2015-RB dated January 21, 2016](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10257&Mode=0) [Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015]. The new regime simplifies the existing framework for overseas investment by persons resident in India to cover wider economic activity and significantly reduces the need for seeking specific approvals. This will reduce the compliance burden and associated compliance costs.

3. Some of the significant changes brought about through the new rules and regulations are summarised below:

(i) enhanced clarity with respect to various definitions;

(ii) introduction of the concept of “strategic sector”;

(iii) dispensing with the requirement of approval for:

1. deferred payment of consideration;
2. investment/disinvestment by persons resident in India under investigation by any investigative agency/regulatory body;
3. issuance of corporate guarantees to or on behalf of second or subsequent level step down subsidiary (SDS);
4. write-off on account of disinvestment;

(iv) introduction of “Late Submission Fee (LSF)” for reporting delays.

Yours faithfully

Ajay Kumar Misra  
Chief General Manager-in-Charge

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12381&Mode=0>

**Guidelines on Digital Lending**

RBI/2022-23/111  
DOR.CRE.REC.66/21.07.001/2022-23

September 02, 2022

All Commercial Banks,  
Primary (Urban) Co-operative Banks, State Co-operative Banks,  
District Central Co-operative Banks; and  
Non-Banking Financial Companies (including Housing Finance Companies)

Madam/ Sir,

**Guidelines on Digital Lending**

A reference is invited to para 7 of the [RBI Press Release “Recommendations of the Working Group on Digital Lending – Implementation” dated August 10, 2022](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54187). Detailed guidelines on recommendations of the Working Group accepted for immediate implementation are attached as [Annex I](https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382#AN1) to this circular.

2. It is reiterated that outsourcing arrangements entered by Regulated Entities (REs) with a Lending Service Provider (LSP)/ Digital Lending App (DLA) does not diminish the REs’ obligations and they shall continue to conform to the extant guidelines on outsourcing[1](https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382#F1). The REs are advised to ensure that the LSPs engaged by them and the DLAs (either of the RE or of the LSP engaged by the RE) comply with the guidelines contained in this circular.

3. It is further advised that the instructions contained in this circular shall be applicable to the ‘existing customers availing fresh loans’ and to ‘new customers getting onboarded’, from the date of this circular. However, in order to ensure a smooth transition, REs shall be given time till November 30, 2022, to put in place adequate systems and processes to ensure that ‘existing digital loans’ (sanctioned as on the date of the circular) are also in compliance with these guidelines in both letter and spirit.

4. These directions are issued under sections 21, 35A and 56 of the Banking Regulation Act, 1949, sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934, sections 30A and 32 of the National Housing Bank Act, 1987, section 6 of the Factoring Regulation Act, 2011 and section 11 of the Credit Information Companies (Regulation) Act, 2005.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12382>

**Review of Prudential Norms – Risk Weights for Exposures guaranteed by Credit Guarantee Schemes (CGS)**

RBI/2022-23/113  
DOR.STR.REC.67/21.06.201/2022-23

September 07, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
All Primary (Urban) Co-operative Banks  
All Non-Banking Financial Companies (including Housing Finance Companies)  
All All-India Financial Institutions

Dear Sir/Madam,

**Review of Prudential Norms – Risk Weights for Exposures guaranteed by Credit Guarantee Schemes (CGS)**

Please refer to paragraph 5.2 of the [Master Circular on Basel III Capital Regulations dated April 1, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12278) in terms of which banks are permitted to apply zero percent risk weights in respect of claims on Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH) and individual schemes under National Credit Guarantee Trustee Company Ltd (NCGTC).

2. In order to have a consistent approach with regard to risk weights for exposures guaranteed by such Trust Funds, it is advised that the risk weight of zero percent shall be applicable in respect of exposures guaranteed under any existing or future schemes launched by CGTMSE, CRGFTLIH and NCGTC satisfying the following conditions:

1. **Prudential Aspects:** The guarantees provided under the respective schemes should comply with the requirements for credit risk mitigation in terms of paragraph 7.5 of the [Master Circular on Basel III Capital Regulations dated April 1, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12278) which inter alia requires such guarantees to be direct, explicit, irrevocable and unconditional;
2. **Restrictions on permissible claims:** Where the terms of the guarantee schemes restrict the maximum permissible claims through features like specified extent of guarantee coverage, clause on first loss absorption by member lending institutions (MLI), payout cap, etc., the zero percent risk weight shall be restricted to the maximum permissible claim and the residual exposure shall be subjected to risk weight as applicable to the counterparty in terms of extant regulations.
3. In case of a portfolio-level guarantee, effective from April 1, 2023, the extent of exposure subjected to first loss absorption by the MLI, if any, shall be subjected to full capital deduction and the residual exposure shall be subjected to risk weight as applicable to the counterparty in terms of extant regulations, on a pro rata basis. The maximum capital charge shall be capped at a notional level arrived at by treating the entire exposure as unguaranteed.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12384&Mode=0>

**Rupee Drawing Arrangement - Enabling Bharat Bill Payment System (BBPS) to process cross-border inbound Bill Payments**

RBI/2022-23/115  
A.P. (DIR Series) Circular No. 14

September 15, 2022

To  
All Category-I Authorised Dealer Banks

Madam/Sir,

**Rupee Drawing Arrangement - Enabling Bharat Bill Payment System (BBPS) to process  
cross-border inbound Bill Payments**

Please refer to [A.P. (DIR Series) Circular No. 120 dated April 10, 2014](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=8832&Mode=0) on ‘Rupee Drawing Arrangement – Direct to Account Facility’, in terms of which, foreign inward remittances received under Rupee Drawing Arrangement (RDA) can be transferred to the KYC compliant beneficiary bank accounts through electronic mode, such as, NEFT, IMPS, etc. subject to the procedure and conditions mentioned therein.

2. As announced in Para 6 of the [Statement on Developmental and Regulatory Policies issued on August 05, 2022](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54149), it has been decided to allow foreign inward remittances received under the Rupee Drawing Arrangement (RDA), to be transferred to the KYC compliant bank account of the biller (beneficiary) through Bharat Bill Payment System (BBPS), subject to the conditions mentioned in Para 3 of [A.P. (DIR Series) Circular No.120 dated April 10, 2014](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=8832&Mode=0).

3. AD Cat-I Banks may bring the contents of this circular to the notice of their constituents concerned.

4. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

(Vivek Srivastava)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12386&Mode=0>

**Master Directions on Interest Rate on Deposits**

RBI/2022-2023/117  
DOR.SOG (SPE).REC.No 68/13.03.00/2022-23

September 16, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
All Small Finance Banks  
All Payment Banks  
All Local Area Banks  
All Primary (Urban) Co-operative Banks/ DCCBs /State Cooperative Banks

Sir / Madam,

**Master Directions on Interest Rate on Deposits**

Please refer to the instructions on the Foreign Currency (Non-resident) Accounts (Banks) Scheme contained in Section 19 (h) of the [Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated March 03, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10296) and Section 18 (h) of the [Master Direction – Reserve Bank of India (Co-operative Banks – Interest Rate on Deposits) Directions, 2016 dated May 12, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10394) in terms of which, reference rates for arriving at the interest rates on FCNR (B) deposits shall be quoted / displayed by Foreign Exchange Dealers Association of India (FEDAI).

2. In terms of the guidance provided by RBI, the reference rates mentioned above are being quoted / displayed by Financial Benchmarks India Pvt. Ltd. (FBIL) with effect from January 31, 2022. In this regard, the relevant sections of both the Master Directions on Interest Rate on Deposits have been suitably modified.

3. Further, the instructions regarding eligibility for opening of savings account contained in Section 28 (h) and Section 27 (h) of the above-mentioned [Master Directions (MDs) dated March 03, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10296) and [May 12, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10394), respectively, and item No. 6 in Schedule I of the two MDs have been modified to make them more explicit.

4. The relevant sections of the Master Directions as amended are indicated in the [Annex](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12388&Mode=0#A_N).

5. All other instructions in this regard shall remain unchanged.

Yours faithfully,

(Santosh Kumar Panigrahy)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12388&Mode=0>

**Late Submission Fee for reporting delays under Foreign Exchange Management Act, 1999 (FEMA)**

RBI/2022-23/122  
A.P. (DIR Series) Circular No. 16

September 30, 2022

To  
All Category-I Authorised Dealer Banks

Madam / Sir

**Late Submission Fee for reporting delays under Foreign Exchange Management Act, 1999 (FEMA)**

The Late Submission Fee (LSF) was introduced for reporting delays in Foreign Investment (FI), External Commercial Borrowings (ECBs) and Overseas Investment related transactions with effect from November 07, 2017, January 16, 2019 and August 22, 2022 respectively. It has now been decided to bring uniformity in imposition of LSF across functions. The following matrix shall be used henceforth for calculation of LSF, wherever applicable:

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Type of Reporting delays** | **LSF Amount (INR)** |
| 1 | Form ODI Part-II/ APR, FCGPR (B), FLA Returns, Form OPI, evidence of investment or any other return which does not capture flows or any other periodical reporting | 7500 |
| 2 | FC-GPR, FCTRS, Form ESOP, Form LLP(I), Form LLP(II), Form CN, Form DI, Form InVi, Form ODI-Part I, Form ODI-Part III, Form FC, Form ECB, Form ECB-2, Revised Form ECB or any other return which captures flows or returns which capture reporting of non-fund transactions or any other transactional reporting | [7500 + (0.025% × A × n)] |

2. The above provisions shall come into effect immediately for the delayed filings made on or after the date of this circular.

3. All other provisions of reporting under FEMA remain unchanged. AD Category - I banks should bring the contents of this circular to the notice of their constituents and customers.

4. The ‘[Master Direction – Reporting under Foreign Exchange Management Act, 1999](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10202)’ and ‘[Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11510)’ are being updated to reflect the changes.

Yours faithfully

Ajay Kumar Misra  
Chief General Manager-in-Charge

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12393&Mode=0>

**Review of Prudential Norms – Risk Weights for Exposures to Corporates and NBFCs**

RBI/2022-23/125  
DOR.STR.REC.71/21.06.201/2022-23

October 10, 2022

All Scheduled Commercial Banks  
(including Small Finance Banks)  
(Excluding Local Area Banks, Regional Rural Banks and Payments Banks)

Madam/Dear Sir,

**Review of Prudential Norms – Risk Weights for Exposures to Corporates and NBFCs**

Please refer to paragraph 6.8.1 (i) of [Master Circular on Basel III capital regulations dated April 1, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12278) in terms of which banks are permitted to derive risk weights for their unrated exposures based on the ratings available for a specific rated debt subject to the conditions specified that the bank’s facility ranks pari passu or senior to the specific rated debt in all respects and the maturity of the unassessed claim is not later than the maturity of the rated claim. Banks may also refer to paragraph 6.2.5 of the Master Circular ibid regarding publication of bank loan ratings by External Credit Assessment Institutions (ECAIs).

2. It is observed that the Press Releases (PRs) issued by ECAIs on rating actions are often devoid of the lenders’ details. Absence of such information may result in banks applying the derived risk weights for unrated exposures, without satisfying themselves regarding adherence to prescribed conditions. This may, consequentially, lead to potentially lower provision of capital as well as underpricing of risks. In order to address the above information asymmetry, the Reserve Bank had advised the ECAIs vide letter dated June 4, 2021 to disclose the name of the banks and the corresponding credit facilities rated by them in the PRs issued on rating actions by August 31, 2021, after obtaining requisite consent from the borrowers.

3. However, on a review it has been observed that the above disclosures are not available in a large number of PRs issued by ECAIs owing to the absence of requisite consent by the borrowers to the ECAIs. It is, therefore, advised that a bank loan rating without the above disclosure by the ECAI shall not be eligible for being reckoned for capital computation by banks. Banks shall treat such exposures as unrated and assign applicable risk weights in terms of paragraph 5.8.1 of the Master Circular ibid read with amendments carried out from time to time.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12396&Mode=0>

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning**

RBI/2022-23/130  
DOR.ACC.REC.No.74/21.04.018/2022-23

October 11, 2022

Madam / Dear Sir,

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of Divergence in Asset Classification and Provisioning**

In terms of paragraph C.4(e) of Annexure III to the [Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions, 2021](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12158), commercial banks (excluding Regional Rural Banks (RRBs)) are required to disclose details of divergence in asset classification and provisioning where such divergence assessed by the Reserve Bank of India (RBI) exceeds certain specified thresholds. In order to strengthen compliance with income recognition, asset classification and provisioning norms, it has now been decided to introduce similar disclosure requirements for Primary (Urban) Co-operative Banks (UCBs) and revise the specified thresholds for commercial banks.

2. Accordingly, for the financial statements for the year ending March 31, 2023, banks shall make suitable disclosures in the manner specified in paragraph C.4(e) of Annex III to the afore-mentioned Directions, if either or both of the following conditions are satisfied:

1. the additional provisioning for non-performing assets (NPAs) assessed by the RBI exceeds 10 per cent of the reported profit before provisions and contingencies[1](https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#F1) for the reference period; and
2. the additional Gross NPAs identified by the RBI exceed 10 per cent of the reported[2](https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#F2) incremental Gross NPAs for the reference period.

Provided further that in the case of UCBs the threshold for reported incremental Gross NPAs specified in paragraph 2(b) above shall be 15 per cent, which shall be reduced progressively in a phased manner, after review.

3. The thresholds specified in paragraph (2) above shall be revised for disclosures in annual financial statements for the year ending March 31, 2024, and onwards, as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ref.** | **Threshold linked to:** | **Commercial Banks (%)** | **UCBs (%)** |
| 2(a) | Reported profit before provisions and contingencies | 5 | 5 |
| 2(b) | Reported incremental Gross NPA | 5 | 15\* |
| \*May be reduced subject to review | | | |

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12401&fn=2&Mode=0#:~:text=4(e)%20of%20Annexure%20III,by%20the%20Reserve%20Bank%20of>

**Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR)**

RBI/2022-23/132  
DOR.RET.REC.79/12.01.001/2022-23

October 13, 2022

All Scheduled Commercial Banks (including Regional Rural Banks)  
Local Area Banks, Small Finance Banks, Payments Banks  
Primary (Urban) Co-operative Banks (UCBs)  
State and Central Co-operative Banks (StCBs/CCBs)

Madam/Dear Sir,

**Claims Received from the National Credit Guarantee Trustee Company Ltd (NCGTC) - Classification for the Purpose of Maintenance of Cash Reserve Ratio (CRR)/Statutory Liquidity Ratio (SLR)**

Please refer to para 9 (Liabilities not to be included for NDTL computation) of [Master Direction on CRR/SLR – 2021 dated July 20, 2021, as amended on April 06, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12131).

2. In this connection, it has been decided that the amounts received by a bank from the National Credit Guarantee Trustee Company Ltd towards claims in respect of guarantees invoked and held by them pending adjustment of the same towards the relative advances, need not be treated as outside liabilities for the purpose of computation of NDTL for CRR and SLR.

3. Accordingly, para 9 of the Master Direction on CRR/SLR – 2021 will henceforth include “Amount received by the eligible banks from National Credit Guarantee Trustee Company Limited (NCGTC) by invoking the guarantee towards claims and pending adjustments thereof”.

Yours faithfully

(Prakash Baliarsingh)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=12403&fn=2&Mode=0>

**Agency Commission for Direct Tax collection under TIN 2.0 regime**

RBI/2022-23/136  
CO.DGBA.GBD.No.S957/43-33-005/2022-2023

November 14, 2022

All Agency banks (authorised to collect direct taxes)

Madam / Dear Sir

**Agency Commission for Direct Tax collection under TIN 2.0 regime**

Please refer to Para 21 of our [Master Circular on Conduct of Government Business by Agency Banks - Payment of Agency Commission dated April 1, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12274) related to claiming of agency commission.

2. After implementation of TIN 2.0 regime for collection of direct taxes, it has been decided to modify paragraph 21 of the captioned Master Circular. The modified paragraph 21 will read as follows:

“Agency banks are required to submit their claims for agency commission in the prescribed format to CAS Nagpur in respect of Central government transactions and the respective Regional Office of Reserve Bank of India for State government transactions. However, agency commission claims with respect to GST receipt transactions and transactions related to direct tax collection under TIN 2.0 regime will be settled at Mumbai Regional Office of Reserve Bank of India only and accordingly all agency banks, authorized to collect GST and direct tax collection under TIN 2.0, are advised to submit their agency commission claims pertaining to the respective receipt transactions at Mumbai Regional Office only. The agency commission for transactions related to direct tax under OLTAS will be continued to be settled at CAS, Nagpur, RBI. The formats for claiming agency commission for all agency banks and separate and distinctive set of certificates to be signed by the branch officials and Chartered Accountants or Cost Accountants are given in Annex 2, Annex 2A and Annex 2B respectively. These certificates would be in addition to the usual Certificate from ED / CGM (in charge of government business) to the effect that there are no pension arrears to be credited / delays in crediting regular pension / arrears thereof.”

3. All other instructions of the said Master Circular remain unchanged.

Yours faithfully

(Indranil Chakraborty)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12408&Mode=0>

**Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial years 2022-23 and 2023-24**

RBI/2022-23/139  
FIDD.CO.FSD.BC.No.13/05.02.001/2022-23

November 23, 2022

The Chairman/Managing Director/Chief Executive Officer  
All Public Sector Banks, Private Sector Banks and  
Small Finance Banks

Madam/Dear Sir,

**Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial years 2022-23 and 2023-24**

Please refer to our [circular FIDD.CO.FSD.BC.No.3/05.02.001/2022-23 dated April 28, 2022](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12302&Mode=0) conveying the decision of the Government of India for continuation of the Modified Interest Subvention Scheme for short term loans for agriculture and allied activities for the year 2021-22.

2. In this regard, it is advised that Government of India has approved the continuation of the Interest Subvention Scheme (ISS) with modification for the financial years 2022-23 and 2023-24 with the following stipulations:

(i) In order to provide short term crop loans and short term loans for allied activities including animal husbandry, dairy, fisheries, bee keeping etc. upto an overall limit of ₹3 lakh to farmers through KCC at concessional interest rate during the years 2022-23 and 2023-24, it has been decided to provide interest subvention to lending institutions viz. Public Sector Banks (PSBs) and Private Sector Banks (in respect of loans given by their rural and semi-urban branches only), Small Finance Banks (SFBs) and computerized Primary Agriculture Cooperative Societies (PACS) which have been ceded with Scheduled Commercial Banks (SCBs), on use of their own resources. This interest subvention will be calculated on the loan amount from the date of disbursement/drawal up to the date of actual repayment of the loan by the farmer or up to the due date of the loan fixed by the banks, whichever is earlier, subject to a maximum period of one year. The applicable lending rate to farmers and the rate of interest subvention for the financial years 2022-23 and 2023-24 will be as follows:

|  |  |  |
| --- | --- | --- |
| **Financial Year** | **Lending rate to farmers** | **Rate of Interest Subvention to Lending Institutions** |
| 2022-23 | 7% | 1.50% |
| 2023-24 | 7% | 1.50% |

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12411&Mode=0>

**Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework**

RBI/2022-23/140  
DoR.FIN.REC.82/03.10.123/2022-23

November 23, 2022

To All Regulated Entities of the Bank

Madam/Dear Sir,

**Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework**

Please refer to the [Master Direction – Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016 dated September 02, 2016](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10598).

2. With a view to facilitate cash flow-based lending to MSMEs, it has been decided to include Goods and Services Tax Network (GSTN) as a Financial Information Provider (FIP) under the Account Aggregator (AA) framework. Department of Revenue shall be the regulator of GSTN for this specific purpose and Goods and Services Tax (GST) Returns, viz. Form GSTR-1 and Form GSTR-3B, shall be the Financial Information.

3. Accordingly, the select instructions contained in the Master Direction referred to above have been amended, as detailed in the [Annex](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12412&Mode=0#AN1).

Yours faithfully,

(J.P. Sharma)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12412&Mode=0>

**Notification of Significant Benchmark**

RBI/2022-23/142  
FMRD.FMSD.06/03.07.25/2022-23

December 01, 2022

To

All the Financial Benchmark Administrators

Madam/Sir

**Notification of Significant Benchmark**

Please refer to the [Financial Benchmark Administrators (Reserve Bank) Directions, 2019 (hereinafter referred to as ‘the Directions’), dated June 26, 2019](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=11601&Mode=0)and [RBI circular dated January 01, 2020](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=11777&Mode=0), notifying six financial benchmarks administered by Financial Benchmarks India Pvt. Ltd. (FBIL) as ‘significant benchmark’.

2. In terms of paragraph 3(i) of the Directions, the Reserve Bank hereby notifies Modified Mumbai Interbank Forward Outright Rate (MMIFOR) administered by Financial Benchmarks India Pvt. Ltd. (FBIL) as a ‘significant benchmark’.

3. The updated list of ‘significant benchmarks’ administered by FBIL is given below:

(i) Overnight Mumbai Interbank Outright Rate (MIBOR)

(ii) Mumbai Interbank Forward Outright Rate (MIFOR)

(iii) USD/INR Reference Rate

(iv) Treasury Bill Rates

(v) Valuation of Government Securities

(vi) Valuation of State Development Loans (SDL)

(vii) Modified Mumbai Interbank Forward Outright Rate (MMIFOR)

4. Further, in terms of paragraph 3(ii) of the Directions, the person administering the ‘significant benchmark’, shall make an application to the Reserve Bank within a period of three months from the date of this notification for authorization to continue administering MMIFOR.

5. The MIFOR, administered by FBIL, shall continue to remain a ‘significant benchmark’ till further notice.

6. This notification has been issued by the Reserve Bank as required under the [Financial Benchmark Administrators (Reserve Bank) Directions, 2019, dated June 26, 2019](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=11601&Mode=0).

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/FS_Notification.aspx?Id=12414&fn=6&Mode=0#:~:text=(FBIL)%20as%20a%20'significant%20benchmark'.&text=4.,authorization%20to%20continue%20administering%20MMIFOR>.

**Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures**

RBI/2022-23/154  
DoR.FIN.REC.90/20.16.056/2022-23

December 13, 2022

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)  
All Primary (Urban) Co-operative Banks/State Co-operative Banks/District Central Co-operative Banks  
All-India Financial Institutions (Exim Bank, NABARD, NHB, SIDBI and NaBFID)  
All Non-Banking Financial Companies (including Housing Finance Companies)  
All Credit Information Companies

Madam/Dear Sir,

**Data Format for Furnishing of Credit Information to Credit Information Companies and other Regulatory Measures**

Please refer to the [circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014](https://m.rbi.org.in/Scripts/NotificationUser.aspx?Id=8968&Mode=0), inter alia setting out a Uniform Credit Reporting Format for reporting credit information to the Credit Information Companies (CICs).

2. It is clarified that cases admitted with National Company Law Tribunal (NCLT)/National Company Law Appellate Tribunal (NCLAT) under the Insolvency and Bankruptcy Code, 2016 are also required to be reported under the suit-filed cases in reporting to the CICs.

3. Credit Institutions (CIs) shall ensure implementation of this circular latest by February 28, 2023.

Yours faithfully

(J.P. Sharma)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=12425>