**CERTIFICATE COURSE ON MSME**

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| **Sl.no.** | **RBI Notifications** |
| 1. | Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI) |
| 2. | Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans |
| 3. | PM Vishwakarma Scheme |
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| 5. | Classification of MSMEs |
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**Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI)**

RBI/2023-24/58  
CO.DPSS.POLC.No.S-567/02-23-001/2023-2024

September 04, 2023

The Managing Director / Chief Executive Officer  
Scheduled Commercial Banks (excluding Payment Banks, Small Finance Banks and Regional Rural Banks)

Madam / Dear Sir,

**Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI)**

Please refer to the [Statement on Developmental and Regulatory Policies dated April 06, 2023](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55473), expanding the scope of UPI by enabling transfer to / from pre-sanctioned credit lines at banks. Currently, savings account, overdraft account, prepaid wallets and credit cards can be linked to UPI. As announced, the scope of UPI is now being expanded by inclusion of credit lines as a funding account.

2. Under this facility, payments through a pre-sanctioned credit line issued by a Scheduled Commercial Bank to individuals, with prior consent of the individual customer, are enabled for transactions using the UPI System.

3. Banks may, as per their Board approved policy, stipulate terms and conditions of use of such credit lines. The terms may include, among other items, credit limit, period of credit, rate of interest, etc.

4. This directive is issued under Section 10(2) read with Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

Yours faithfully,

(Gunveer Singh)  
Chief General Manager-in-Charge

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12532&Mode=0>

**Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans**

RBI/2023-24/60  
DoR.MCS.REC.38/01.01.001/2023-24

September 13, 2023

All Commercial Banks (including Small Finance Banks  
and Regional Rural Banks, excluding Payments Banks)  
All Local Area Banks  
All Primary (Urban) Co-operative Banks  
All State Co-operative Banks and District Central Co-operative Banks  
All NBFCs (including HFCs)  
All Asset Reconstruction Companies

Madam / Dear Sir,

**Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal**[**1**](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12535&Mode=0#F1)**Loans**

In terms of the guidelines on Fair Practices Code issued to various Regulated Entities (REs) since 2003, REs are required to release all movable / immovable property documents upon receiving full repayment and closure of loan account. However, it has been observed that the REs follow divergent practices in release of such movable / immovable property documents leading to customer grievances and disputes. To address the issues faced by the borrowers and towards promoting responsible lending conduct among the REs, the following Directions are being issued:

**Release of Movable / Immovable Property Documents**

2. The REs shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/ settlement of the loan account.

3. The borrower shall be given the option of collecting the original movable / immovable property documents either from the banking outlet / branch where the loan account was serviced or any other office of the RE where the documents are available, as per her / his preference.

4. The timeline and place of return of original movable / immovable property documents will be mentioned in the loan sanction letters issued on or after the effective date.

5. In order to address the contingent event of demise of the sole borrower or joint borrowers, the REs shall have a well laid out procedure for return of original movable / immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the REs along with other similar policies and procedures for customer information.

**Compensation for delay in release of Movable / Immovable Property Documents**

6. In case of delay in releasing of original movable / immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the RE shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the RE, it shall compensate the borrower at the rate of ₹5,000/- for each day of delay.

7. In case of loss/damage to original movable / immovable property documents, either in part or in full, the REs shall assist the borrower in obtaining duplicate/certified copies of the movable / immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at paragraph 6 above. However, in such cases, an additional time of 30 days will be available to the REs to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

8. The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation as per any applicable law.

**Applicability**

9. These Directions shall be applicable to all cases where release of original movable / immovable property documents falls due on or after December 1, 2023.

10. The above Directions are issued under sections 21, 35A and 56 of the Banking Regulation Act, 1949, sections 45JA and 45L of the Reserve Bank of India Act, 1934, and section 30A of the National Housing Bank Act, 1987.

Yours faithfully,

(Santosh Kumar Panigrahy)  
Chief General Manager

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12535&Mode=0>

**PM Vishwakarma Scheme**

RBI/2023-24/61  
FIDD.CO.MSME.BC.No.10/06.02.031/2023-24

September 13, 2023

The Chairman/ Managing Director/Chief Executive Officer  
All Scheduled Commercial Banks  
(including Small Finance Banks and Regional Rural Banks, excluding Payments Banks)  
All Primary (Urban) Co-operative Banks/State Co-operative Banks  
/ District Central Co-operative Banks  
All Non-Banking Financial Companies (excluding housing finance companies)

Madam / Dear Sir,

**PM Vishwakarma Scheme**

Government of India (GoI) has introduced the ‘PM Vishwakarma Scheme’ which aims to provide support to artisans and craftspeople to enable them to move up the value chain in their respective trades. The Scheme envisages, among other measures, credit support to the beneficiaries at concessional interest rate, with interest subvention support by GoI.

2. In this regard, eligible lending institutions may refer to the Scheme [guidelines](https://pmvishwakarma.gov.in/FileHandling/ViewFile/MiscFiles%5CPM%20Vishwakarma-Guidelines.pdf) issued by the Ministry of Micro, Small and Medium Enterprises, for appropriate action.

Yours faithfully,

(Nisha Nambiar)  
Chief General Manager

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12536&Mode=0>

**Data Quality Index for Commercial and Microfinance Segments by Credit Information Companies**

RBI/2023-24/62  
DoR.FIN.REC.39/20.16.056/2023-24

September 20, 2023

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)  
All Primary (Urban) Co-operative Banks/State Co-operative Banks/ 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 Asset Reconstruction Companies  
All Credit Information Companies

Dear Sir/ Madam,

**Data Quality Index for Commercial and Microfinance Segments by Credit Information Companies**

Please refer to our [circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=8968&Mode=0), inter alia setting out a common Data Quality Index (DQI) for assessing the quality of data submissions by Credit Institutions (CIs) to Credit Information Companies (CICs) and improving the same over a period of time. Currently, the DQI is being used for data submitted under the consumer segment.

2. With a view to enable further implementation of DQI, it has been decided that CICs shall prepare DQIs for Commercial and Microfinance segments also as per [Annex I](https://rbidocs.rbi.org.in/rdocs/content/pdfs/CommercialDQI20092023_AN1.pdf) and [II](https://rbidocs.rbi.org.in/rdocs/content/pdfs/MFIDQI20092023_AN2.pdf), respectively. CICs shall provide the DQIs for Commercial and Microfinance segments to all CIs latest by March 31, 2024.

3. Further, CICs are advised as under:

1. CICs shall provide DQIs for Commercial and Microfinance segments in the form of numeric scores on a monthly basis to all member credit institutions.
2. DQI scores for Commercial and Microfinance segments shall be provided at CI and file level. The DQI scores for Commercial and Microfinance segments at CI level shall be computed as weighted average of file level DQI scores of commercial and microfinance segment respectively of that CI.
3. CICs shall compute industry level DQIs for each of the three reporting segments[1](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12537&Mode=0#FT1) as weighted average of the CI level DQI in their respective category (e.g. Public Sector Banks, Private Sector Banks, Foreign Banks, Co-operative Banks, RRBs, NBFCs etc.) on monthly basis. Further, a half yearly Industry Benchmark shall be calculated as a rolling average of preceding six months Industry level DQI score of respective category of CIs.
4. CICs shall provide reasons for decline in score to each CI, if its (a) CI level score has declined over the previous month or (b) CI level score is lower than the half yearly industry benchmark.
5. CICs shall provide monthly data of CI level DQI and industry level DQI of all segments to Department of Supervision, Reserve Bank of India, Central Office at half yearly intervals as on September 30 and March 31 each year, for information and monitoring purposes.

4. CIs are advised to undertake half yearly review of the DQI for all segments to improve the quality of the data being submitted to CICs. Corrective steps taken on the above issues along with a report on the same shall be placed before its top management by each CI for review within two months from the end of that half-year.

Yours faithfully

(J. P. Sharma)  
Chief General Manager

Encl: Annex I and II

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12537&Mode=0>

**Classification of MSMEs**

RBI/2023-24/100  
FIDD.MSME & NFS.BC.No.13/06.02.31/2023-24

December 28, 2023

The Chairman/ Managing Director/Chief Executive Officer  
All Scheduled Commercial Banks (except RRBs)  
(including Small Finance Banks and Local Area Banks)

Dear Sir / Madam

**Classification of MSMEs**

Please refer to para 2.4 to 2.7 of the [Master Direction - Lending to Micro, Small & Medium Enterprises (MSME) Sector dated July 24, 2017](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11060) (as updated on July 29, 2022), inserted in terms of the [circular FIDD.MSME & NFS.BC.No.3/06.02.31/2020-21 dated July 2, 2020](https://rbi.org.in/scripts/FS_Notification.aspx?Id=11934&fn=2754&Mode=0) on the new definition of MSME. The revised criteria for classification of enterprises as Micro, Small and Medium enterprises were notified by the Ministry of MSME, GoI vide [Gazette Notification S.O. 2119 (E) dated June 26, 2020](https://rbidocs.rbi.org.in/rdocs/content/pdfs/IndianGazzate02072020.pdf). Subsequent amendment has been made to the above notification by Government of India (GoI) vide [Gazette Notification S.O. 4926 (E) dated October 18, 2022](https://dcmsme.gov.in/Notification%20no%204926%20E%20dated%2018%20Oct%202022%20related%20to%20Non%20tax%20benefits.pdf).

2. As classification / re-classification of MSMEs is the statutory responsibility of Ministry of MSME, GoI as per the provisions of the MSMED Act, 2006, regulated entities shall be guided by the notifications issued by the Ministry of MSME in this regard, from time to time.

3. Accordingly, the following amendments are made in the above Master Direction- Lending to Micro, Small & Medium Enterprises (MSME) Sector:

|  |  |
| --- | --- |
| **Existing para** | **Revised para** |
| Para 2.2: All the above enterprises are required to register online on the Udyam Registration portal and obtain ‘Udyam Registration Certificate’. | Para 2.2: All the above enterprises are required to register online on the Udyam Registration portal and obtain ‘Udyam Registration Certificate’. For PSL purposes banks shall be guided by the classification recorded in the Udyam Registration Certificate (URC). |
| Para 2.4 to 2.7 | Deleted |

The [Master Direction](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11060) has been updated accordingly.

Yours faithfully

(R Giridharan)  
Chief General Manager

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12583&Mode=0>

**Payments Infrastructure Development Fund – Extension of Scheme and Enhancements**

RBI/2023-24/101  
CO.DPSS.POLC.No.S940/02-29-005/2023-24

December 29, 2023

The Chairman / Managing Director / Chief Executive Officer  
Card Issuing and Acquiring Banks and Non-banks / Authorised Card Networks

Madam / Dear Sir,

**Payments Infrastructure Development Fund – Extension of Scheme and Enhancements**

Please refer to the Reserve Bank of India [circular DPSS.CO.AD No.900/02.29.005/2020-21 dated January 05, 2021](https://rbi.org.in/scripts/FS_Notification.aspx?Id=12009&fn=9&Mode=0), on “Operationalisation of Payments Infrastructure Development Fund (PIDF) Scheme” and subsequent amendments made thereto.

2. As announced in the [Statement on Development and Regulatory Policies dated October 06, 2023](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56503), the PIDF Scheme is being extended by two years, i.e., upto December 31, 2025. Further, with a view to provide impetus to deployment of acceptance infrastructure, the following enhancements are being made to the Scheme:

1. The beneficiaries identified as part of the PM Vishwakarma Scheme, across the country, shall be included as merchants for deployment under the PIDF Scheme. All eligible installations since the inception of the PM Vishwakarma Scheme, i.e., September 17, 2023, may prefer claims under the PIDF Scheme.
2. The PIDF Scheme presently subsidises deployment of acceptance infrastructure based on category of device – physical or digital. It has been decided to enable other contemporary devices, viz., (i) Soundbox devices – providing instant audio payment confirmation along with payment acceptance by “scan & pay” and Near Field Communication (NFC), and (ii) Aadhaar-enabled biometric devices – certified biometric scanner devices facilitating Aadhaar authentication for acceptance of payment by merchant through BHIM Aadhaar Pay, would be eligible for subsidy under the Scheme, for installations made from October 01, 2023 onwards.
3. The amount of subsidy for devices deployed in special focus areas, viz., North Eastern States, Union Territories of Jammu & Kashmir and Ladakh, is increased from 75% to 90% of the total cost, irrespective of the type of device, for installations made from October 01, 2023 onwards.

3. The above enhancements, along with detailed guidelines, have been incorporated in the framework of PIDF Scheme, enclosed as [Annex](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12584&Mode=0#ANN).

4. These instructions are issued under Section 18 read with Section 10 (2) of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

Yours faithfully,

(Gunveer Singh)  
Chief General Manager-in-Charge

For more details, Kindly refer:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12584&Mode=0>