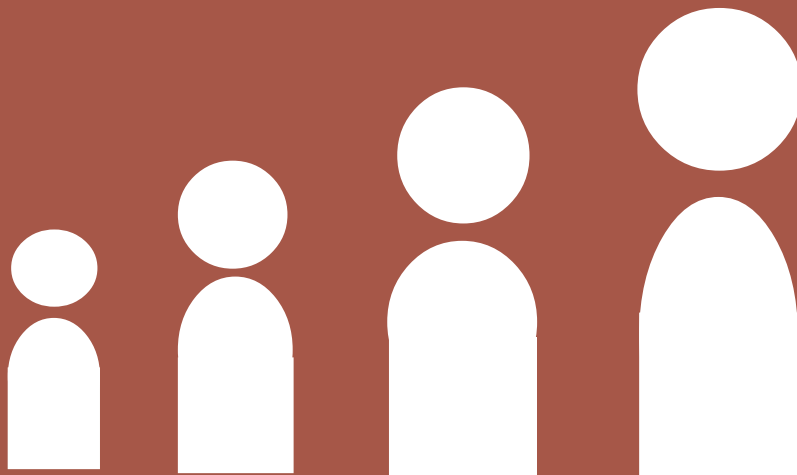


Banking events Update



Those who win, are those, who think they can

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*We wish our readers, a
very happy and prosperous
New Year 2020*

Editor in Chief - Sh. N S Toor

**BANKING
POLICY****IFSC Banking Units - Activities**

RBI issued directions related to IFSC Banking Units (IBUs) on 01.04.15. These directions have been modified on 23.12.19 as under:

1. RBI will not prescribe any limit for raising short-term liabilities from banks. However, the IBUs must maintain liquidity coverage ratio (LCR) as applicable to Indian banks on a stand-alone basis and strictly follow the liquidity risk management guidelines issued by RBI to banks. Further, NSFR will also be applicable to IBUs as and when it is applied to Indian banks.
2. IBUs are not allowed to open savings accounts. They can open foreign currency current accounts of units operating in IFSC and of non-resident institutional investors to facilitate their investment transactions. They can also open foreign currency current accounts (including escrow accounts) of their corporate borrowers subject to the provisions of FEMA 1999 and regulations issued thereunder, wherever applicable. However, IBUs cannot raise liabilities from retail customers including high net worth individuals (HNIs). Also, no cheque facility will be available for holders of current accounts in the IBUs. All transactions through these accounts must be undertaken via bank transfers.
3. IBUs can accept fixed deposits in foreign currency of tenor less than one year from non-bank entities and can also repay fixed deposits prematurely without any time restrictions.
4. IBUs will be required to scrupulously follow “Know Your Customer (KYC)”, Combating of Financing of Terrorism (CFT) and other anti-money laundering instructions issued by RBI from time to time, including the reporting thereof, as prescribed by the Reserve Bank /other agencies in India. IBUs are prohibited from undertaking cash transactions.

Enhancing facilitation of National Electronic Toll Collection (NETC) system

India is progressing ahead with NETC gaining large scale acceptance. Currently, the NETC system allows linking of FASTags with bank accounts – savings, current and prepaid.

In order to further broad base this system by allowing more payment choices for the customers, as well as for fostering competition among the system participants, RBI allowed (30.12.19) all authorised payment systems and instruments [non-bank PPIs, cards and Unified Payments Interface (UPI)] for linking with the FASTags, which can be used for various types of payments (vehicle toll, parking fee, etc.).

The Turn Around Time (TAT) for resolving failed transactions shall also be applicable to the transactions carried out in the NETC system.

The transactions in the NETC system can be performed without

any Additional Factor of Authentication (AFA) and / or pre-transaction notification / alert.

NPCI shall facilitate requests received from banks / non-banks in this regard.

Reporting of Large Exposures to Central Repository of Information on Large Credits (CRILC) – Urban Cooperative Banks (UCBs)

On 27.12.19, RBI decided that Primary (Urban) Co-operative Banks (UCBs) having total assets of Rs.500 crore and above as on 31st March of the previous financial year shall report credit information, including classification of an account as Special Mention Account (SMA), on all borrowers having aggregate exposures of Rs.5 crore and above with them, to Central Repository of Information on Large Credits (CRILC) maintained by the Reserve Bank. Aggregate exposure shall include all fund-based and non-fund based exposure, including investment exposure on the borrower.

To start with, UCBs will be required to submit CRILC Report on quarterly basis with effect from December 31, 2019.

Introduction of a new type of semi-closed Prepaid Payment Instrument (PPI) – PPIs upto Rs.10,000/- with loading only from bank account

To give impetus to small value digital payments and for enhanced user experience, on 24.12.19, RBI decided to introduce a new type of semi-closed PPI with the following features:

1. Such PPIs shall be issued by bank and non-bank PPI Issuers after obtaining minimum details of the PPI holder.
2. The minimum details shall necessarily include a mobile number verified with One Time Pin (OTP) and a self-declaration of name and unique identity / identification number of any ‘mandatory document’ or ‘officially valid document’ (OVD) listed in KYC directions.
3. These PPIs shall be reloadable in nature and issued in card or electronic form. Loading / Reloading shall be only from a bank account.
4. The amount loaded in such PPIs during any

month shall not exceed Rs.10,000 and the total amount loaded during the financial year shall not exceed Rs.1,20,000.

5. The amount outstanding at any point of time in such PPIs shall not exceed Rs.10,000.

6. These PPIs shall be used only for purchase of goods and services and not for funds transfer.

7. PPI issuers shall provide an option to close the PPI at any time and also allow to transfer the funds 'back to source' (payment source from where the PPI was loaded) at the time of closure.

8. The features of such PPIs shall be clearly communicated to the PPI holder by SMS / e-mail / post or by any other means at the time of issuance of the PPI / before the first loading of funds.

9. The minimum detail PPIs existing as on the date of this circular can be converted to the above type of PPI, if desired by the PPI holder.

Review of Master Directions - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017

RBI had issued the directions on 04.10.17. On a review, RBI decided on 23.12.19 that:

(i) The aggregate exposure of a lender to all borrowers at any point of time, across all P2P platforms, shall be subject to a cap of Rs.50,00,000 provided that such investments of the lenders on P2P platforms are consistent with their net-worth.

The lender investing more than Rs.10,00,000 across P2P platforms shall produce a certificate to P2P platforms from a practicing Chartered Accountant certifying minimum net-worth of Rs.50,00,000. Further, all the lenders shall submit declaration to P2P platforms that they have understood all the risks associated with lending transactions and that P2P platform does not assure return of principal/payment of interest.

(ii) Escrow accounts to be operated by bank promoted trustee for transfer of funds need not be mandatorily maintained with the bank which has promoted the trustee.

Furthering Digital Payments – Waiver of Charges – National Electronic Funds Transfer (NEFT) System

In order to give further impetus to digital retail payments, on 16.12.19, RBI decided that member banks shall not levy any charges from their savings bank account holders for funds transfers done through NEFT system which are initiated online (viz. internet banking and/or mobile apps of the banks).

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Senior Citizens' Saving Scheme 2019

The Ministry of Finance, Govt. of India, notified Senior Citizens' Saving Scheme, 2019 on 12.12.19.

Opening of account : (1) An individual may open, one or more accounts, by making an application in Form-1.

Age : 60 years on the date of opening of the account or 55 years or more but less than 60 years, for those who retired on superannuation or otherwise. Account is to be opened by such individual within one month of the date of receipt of the retirement benefits. Retired personnel of Defence Services (excluding Civilian Defence employees) - 50 years.

(2) An individual may open an account in individual capacity, or jointly with spouse. In case of a joint account, the age of the first account holder shall be considered to determine the eligibility.

The whole amount in a joint account shall be attributable to the first account holder only.

Both spouses can open single account and joint accounts, with each other, with maximum deposit of upto Rs.15 lakhs in each account, if both are individually eligible.

Deposit : Minimum deposit Rs.1000 or any sum in multiples of Rs.1000. Max Rs.15 lac. There shall be only one deposit in the account.

Interest on deposit : 8.6% p.a. (quarterly review)

Interest shall be payable from the date of deposit to 31st March/30th June/30th September/31st December on first working day of April/July/October/January.

(2) If interest payable every quarter is not claimed, such interest shall not earn additional interest.

(3) Any amount of interest in fraction of a rupee shall be rounded off to the nearest rupee.

(4) If an account is extended after maturity, deposit shall earn interest at the applicable rate on the date of maturity.

(5) The interest for any period less than a quarter shall be calculated as (Number of days in the period x Interest for the quarter) / Total number of days in the quarter.

Premature closure : Account holder may withdraw the deposit and close the account in Form-2.

(i) In case, the account is closed before one year, interest paid shall be recovered from the deposit and the balance shall be paid to the account holder.

(ii) If account is closed after one year but before 2 years, an amount equal to 1.5% of the deposit shall be deducted.

(iii) If account is closed on or after 2 years, an amount equal to 1% of the deposit shall be deducted.

Account holder extending the account may withdraw deposit and close account at any time after one year

from the date of extension without any deduction.

Multiple withdrawals shall not be permitted.

Closure of account : The deposit shall be paid on or after 5 years (8 years where account was extended).

(2) In case of death before maturity or extended maturity, balance shall be paid (Application in Form-3) with interest till the date of death, to nominee or the legal heirs.

Interest shall earn interest at Post Office Savings Account rate from date of death till date of final closure.

In case of a joint account or where the spouse is the sole nominee, spouse may continue the account, if the spouse meets eligibility conditions on the date of death.

Where both the spouses have opened separate account or accounts and either dies during the currency of such account, accounts standing in the name of the deceased account holder shall not be continued and shall be closed.

Extension after maturity : The account holder may extend the account for a further period of 3 years (application in Form-4) within one year from the date of maturity. The extension shall be deemed from the date of maturity irrespective of the date of application.

Extension shall be available only once.

Sukanya Samriddhi Account Scheme, 2019

The Ministry of Finance, Govt. of India, notified Sukanya Samriddhi Account Scheme, 2019 on 12.12.19.

Opening of a/c : One account in name of a girl child of less than 10 years, can opened by one of the guardians. Account can be for a max of 2 girl children in one family. More than 2 accounts may be opened in a family if such children are born in the first or in the second order of birth or in both. This provision shall not apply to girl child of 2nd order of birth, if the first order of birth in the family results in two or more surviving girl children.

Deposits : Min initial and annual deposit is Rs.250 and in multiples of Rs.50 thereafter. Max total amount is Rs.150000, in a financial year.

Deposits period : Till completion of 15 years from the date of opening of the account.

Default : An account under default may be regularised any time till completion of 15 years on payment of a penalty of Rs.50 for each year of default along with the minimum annual deposit in respect of the defaulted years. For a default account, if not regularised whole deposit, shall be eligible for interest at the rate applicable to the Scheme till closure of the account.

Interest on deposit : 8.4% p.a. The interest calculation for the calendar month on the lowest balance between close of 5th day and the end of the month. The interest

shall be credited to the account at the end of each financial year. Amount shall be rounded off to the nearest rupee.

Operation of account : By the guardian till the account holder attains the age of 18 years. Operations shall be by account holder after attaining age of 18 years.

Premature closure : Account shall be closed on production of death certificate and credit balance and interest till date of death shall be paid to the guardian. Interest between the date of death and date of closure shall be at rate applicable on Post Office Savings Account. A/c can be closed prematurely after 5 years, in extreme compassionate grounds such as medical support.

Withdrawal : If account holder attained age of 18 years or passed 10th standard (whichever earlier), withdrawal of upto 50% of the amount at the end of financial year preceding the year of application for withdrawal, shall be allowed for education of the account holder.

One withdrawal per year may be made in one lump sum or in instalments, for a max of 5 years.

Closure : Account shall mature on completion of a period of 21 years from date of opening. The closure is also permitted after 18 years of age, if account holder intends to marry (one month before date of intended marriage or after 3 months from the date of marriage).

Public Provident Fund Scheme, 2019.

The Ministry of Finance, Govt. of India, notified Public Provident Fund Scheme, 2019 on 12.12.19.

Account : An individual may open an account in his name or on for each minor or a person of unsound mind as guardian. Joint accounts are not allowed.

Amount : Min Rs.500 and max Rs.150000 / FY in multiple of Rs.50. Maximum limit shall be inclusive for individual and in the account opened on behalf of the minor.

The deposit may be made in the account in one lump sum or in instalments.

Discontinuation : If account holder fails to deposit min amount in following years, a/c shall be treated as discontinued. It may be revived before its maturity on payment of a fee of Rs.50 along with arrears of minimum deposit of Rs.500 for each year of default. The balance shall continue to earn interest at applicable rate.

The facility of loan and partial withdrawal shall not be allowed in such an account.

Interest : 7.9% for a calendar month on lowest credit balance between close of the 5th day and end of month. Interest shall be credited to account at end of each year.

Loans: After 1 year to 5 years, account holder may, apply, for a loan up to 25% of credit balance at the end

of 2nd year immediately preceding the year in which loan is applied for. Loan can be only once in a year.

Repayment of loan: Max within 36 months.

After payment of the principal, interest shall be paid in max 2 monthly instalments @ 1% p.a. of the principal. If loan is not repaid fully, within 36 months, interest shall be 6% p.a. w.e.f. first day of the month following the month in which the loan was obtained, to the last day of the month in which the loan is finally repaid.

Withdrawal : Any time after 5 years, account holder may, avail withdrawal, of max 50% of credit balance at end of 4th year immediately preceding year of withdrawal or at the end of the preceding year, whichever is lower. The withdrawal facility is available only once in a year.

Closure of account or continuation of account without deposits after maturity : Any time after 15 years, account holder may apply (Form-3) for closure.

The account holder may retain the account after maturity without making any further deposits for any period and the balance in the account will continue to earn interest at the applicable rate.

The account holder may make one withdrawal, in each year, of any amount within the balance.

If the account is continued without deposits for more than a year, the account holder shall not have the option again to continue the account with deposits.

Extension after maturity : On expiry of 15 years, account may be continued for a further block of 5 years for any no. of blocks, by depositing before expiry of one year, from the maturity of the account.

Extension is not available, if the account holder fails to give his option to continue the account within one year from the date of maturity. Any deposit made in such account shall be treated as irregular and refunded by the accounts office immediately without any interest.

Facility of partial withdrawal shall be available to the account extended.

Premature closure : It is allowed after 5 years, for (a) treatment of life threatening disease; (b) higher education in India or abroad; (c) on change in residency status .

On premature closure, interest shall be 1% lower than the rate at which interest has been credited.

Death : A/c shall be closed and balance shall earn interest till end of the month preceding the month in which the eligible balance is paid to the nominee or the legal heir.

Attachment: Amount standing to the credit of any account holder shall not be liable to attachment under any order or decree of any court in respect of any debt or liability incurred by the account holder.

Practical Problems based on Banking Ombudsman Decisions

1) The complainant had alleged that she had withdrawn Rs. 400/- from ATM, of another bank, but received SMS that an amount of Rs.10,000/- had been withdrawn from the ATM machine.

Documents submitted by both banks showed that the disputed transaction was successful. From CCTV footage it was observed that there were 2 machines adjacent to each other without any partition. Two suspicious looking men were inside the ATM enclosures for a considerable time. After some time, one went out of ATM room. One was constantly stationed inside and tampered with one ATM machine making it temporarily non-operational (by using chewing gum from his mouth).

Whenever a customer visited the ATM to withdraw money and used this non-operational machine he was immediately directed by the fraudster inside the ATM to use the other adjacent machine. Before this, the customer would have inserted his ATM card in the non-operational machine. The fraudster stationed inside then pretended to be counting money held in his hand and watched the customer complete his transaction on the other machine. While the customer completed his transaction the second fraudster who was waiting outside came in. He was seen doing some transaction on the non-operational machine.

Complainant had visited the ATM machine enclosure during this time. The person inside the enclosure tried the same trick with her. She used the second machine, withdrew money and left. She had done only one successful transaction.

On enquiring with the bank, it was ascertained that it was an offsite ATM, where no security guard was posted. BO opined that if a security guard was present such incidents could not have happened and directed the acquiring bank to pay the complainant the disputed amount, giving the complainant the benefit of doubt.

2) The complainant was issued two credit cards by the bank. However he informed the bank that he was not interested. As advised by the bank he dropped the cards in bank's drop box. However, he received a bill for Rs.52,017/- pertaining to one of the surrendered cards. The complainant further claimed that he was informed by the bank that the disputed card was stolen from the drop box and he was assured that the matter was closed. However, when he checked his CIBIL status it was observed that bank had reported Rs.52,017/- as due from him. On contacting, the bank informed that it had sold off card-outstanding to the Asset Reconstruction Company .

The bank in its response to BO stated that the card was initially issued to the customer during January 1989. After merger of the bank with another bank in 2001, the said card was converted to the latter bank's credit card and the outstanding dues were transferred. A supplementary credit card was issued to the customer during April 2001. The bank had further stated that the customer had dropped the cards in a drop box without defacing them and also did not dispatch the same along with the cancellation letter to the bank's address, as required under card member rules and regulations. The bank also indicated that the total outstanding dues on both the credit cards were Rs.52,017.03 and Rs.385.70 respectively and the same were sold to an ARC. The bank had requested the customer to contact the ARC. Based on the documents submitted by the complainant, the BO advised the bank to take up the matter with the ARC. The bank confirmed that the ARC had arranged to reverse the outstanding in the customer's card account and update the status of the card account in the records of the CIBIL.

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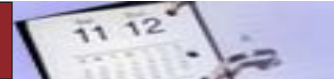
Contact

09814 331 661

01722665623

- **FM ANNOUNCES NO CHARGES ON RuPay, UPI TRANSACTIONS:** The Union Finance Minister has announced that from January 1, 2020 there will be no merchant discount rate (MDR) charges for transactions using RuPay Debit Card or UPI. In addition, businesses with annual turnover of Rs.50 Crore or more will have to mandatorily offer the two digital payment options as the Government makes a fresh push for mass use of digital payments. The Government and RBI had earlier ordered a waiver of MDR charges on transactions up to Rs.2000 using a handful of payment tools, which has now been expanded to cover all transactions.
- **SEBI TO MAKE PRE-TRADE ALLOCATIONS MANDATORY:** SEBI is planning to make pre-trade allocations mandatory for all institutional investors. Currently, the institutional investors buy large blocks of stocks and allocate them to schemes after purchase. However, now the regulator wants investors to disclose to exchanges in advance what quantity of shares is meant for which fund. There is currently no uniform industry practice for allocation of shares amongst various funds, but most of the fund houses prefer to buy the shares first and then allocate them.
- **GOVT. FOR ONE DIGITAL REPOSITORY OF OFFICIAL DATA:** An umbrella information portal collating official data on employment, industry, national health mission, GST and import-export is in the works as the Government plans to put out timely, credible, user-friendly official data on a single window. The Ministry of Statistics and Programme Implementation is developing a digital repository of all official statistics in the country called National Integrated Information Portal (NIPP) to improve transparency and easy access to such data. The NIPP will facilitate the flow of information for quicker generation of key macroeconomic indicators and also feed into sustainable development goals.
- **LABOUR MINISTRY RESTORES COMMUTATION OF PENSION:** The Labour Ministry will enforce EPFO's decision to restore pension commutation or advance part-withdrawal under the Employees' Pension Scheme from January 1, 2020. This move will benefit 0.63 million lakh pensioners. These pensioners had opted for commutation of their pension and got a lumpsum amount at time of retirement from their pension fund before 2009.
- **SEBI MANDATES RISK PROFILING AND BANS FREE**

Financial Events

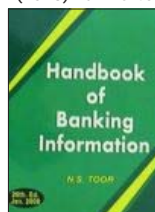


TRIAL OF SERVICES: To further strengthen the conduct of investment advisors, SEBI has asked them to conduct proper risk profiling of clients and obtain their consent on the same before providing any advice. SEBI also restrained them from providing free trial for any product/service. The measures aimed at further strengthening the conduct of investment advisors while providing investment advice and protect the interest of investors seeking advice will come into effect from January 1.

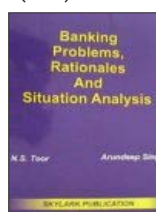
- **RBI PLANS TO SET UP A "COLLEGE OF SUPERVISION":** To ensure that irregularities in the financial sector which are increasingly becoming complex and interconnected, do not escape the attention of its inspectors, RBI is planning to set up a "College of Supervision". Skill imparting is not a one-time affair. They have to be re-skilled from time to time because things are evolving and changing and becoming more complex. The proposed college will improve the skill-set of inspectors so that when they assess risk in regulated entities such as banks, NBFCs, Urban CO-Co. Banks and Payment System Providers, they are mindful of the lurking dangers.
- **FINMIN NOTIFIES NORM IN GST DETAILS MISMATCH:** In an effort to curb the menace of fake invoices and tax evasion, the Finance Ministry has notified a new norm of limiting the input tax credit (ITC) to 10% in case of GST details mismatch. This will force businesses to restrict themselves to matched details and ignore the mismatched ones and thus incur

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losses which could go into Crores for big companies due to complexities involved. According to the notification to be effective from January 1, ITC to be availed by a registered person in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers, shall not exceed 10% of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers.

- **GOVT. CLEARS NPR UPDATE EXERCISE:** Union Cabinet has approved conduct of Census of India 2021 at a cost of Rs.13000 Crore. The data for National Population Register (NPR) was collected in 2010 along-with the house-listing phase of Censes of India 2011. It was updated in 2015 by conducting door-to-door surveys. The digitisation of updated information has been completed. For the upcoming Census which starts from April, no document or biometric identification will be required. It will be done through a Mobile App. Use of Mobile App. for data collection and Central Portal for monitoring purpose will ensure early release of Census data with improved quality.
- **NON-FILING OF GST RETURNS MAY LEAD TO PENALTY:** The GST Law makes it mandatory for a registered person to file returns either monthly (Normal Supplier) or on a quarterly basis (Supplier opting for Composition Scheme). An ISD (Input Service Distributor) will have to file monthly returns showing details of credit distributed during the particular month. Non filing of GST returns may lead to attachment of bank accounts and even cancellation of registrations. This is a part of the Standard Operating Procedure (SOP) issued by the Finance ministry to be followed in case of non-filing of returns.
- **SEBI TO DISCONTINUE USAGE OF POOL ACCOUNTS OF MF:** SEBI has proposed to discontinue usage of pool accounts by all platforms in transactions of Mutual Funds (MF)) schemes with a aim to protect the investors against misuse of their investments. SEBI said that instances have come to light where clients funds and securities were diverted by trading or clearing member towards margin obligations or settlement obligations of itself or some third party or for raising loan against shares of its own account. Under the proposed framework, the exchanges are required to facilitate a more direct interface between clients and the clearing corporation bypassing intermediaries.
- **SEBI STARTS STEWARDSHIP CODE FOR MFs AIFs:** SEBI has put in place a mandatory “Stewardship Code” for mutual funds (MFs) and all categories of alternative investment funds (AIFs) with regard to their investment in listed equities. Stewardship code is a principle-based framework that assists institutional investors in fulfilling their responsibilities to help them protect and enhance the value of their clients and beneficiaries. Adherence to the code by institutional investors also enhances the corporate governance of the investee

companies. The code will come into effect from April 1, 2020.


- **SEBI UNVEILS NEW MECHANISM TO REWARD WHISTLEBLOWERS:** SEBI came out with a new mechanism to reward whistleblowers and other informants for sharing information about insider trading. It would be mandatory to disclose source of information, the confidentiality regarding the identity of the informant would be protected. Insider trading refers to trading of securities while in possession of Unpublished Price Sensitive Information (UPSI) about the particular securities. SEBI said that the reward would be given in case the information provided leads to a disgorgement of at least Rs.1 Crore in accordance with the Prohibition of Insider Trading Regulations.
- **COMPANIES UNDER IBC PROCESS TO GET GST RELIEF:** The Government may allow companies undergoing resolution process under the Insolvency and Bankruptcy Code (IBC) to pay current levies of GST without the mandatory payment of past dues. This will remove a hurdle in the bankruptcy resolution process. Tax authorities are treated on a par with operational creditors and eligible to receive payments with others. However, the GST Framework currently does not allow a company to file current tax dues if it has past dues. In some cases, penal action has been initiated for noncompliance even in cases where the corporate insolvency resolution process has been initiated or GST registration has been cancelled. This comes in the way of efforts to revive a company under the IBC process.
- **GOVT. TO IMPLEMENT STRICTER RULES ON TRADE REMEDIES:** The Government wants doing away with the lesser duty rule so that higher anti-dumping and countervailing duties can be imposed on cheap imports hurting domestic producers. The lesser duty rule states that in case of imports, once dumping or subsidies are established the penal duty imposed on the item may be less than the

margin if such lesser duty would be adequate to remove the injury to the domestic industry. A large number of WTO members including EU do not use the lesser duty rule and impose anti-dumping and countervailing duty to the full extent of dumping and subsidy margins.

- **GOVT. TO AMEND MSME ACT TOWARDS SINGLE DEFINITION:** Govt. is going to amend the MSME Act so that the update in the definition of MSMEs may allow a single definition for purposes relating to taxation, investment etc. The Union Cabinet has already approved the amendments to the law to change the criteria for classifying MSMEs from “Investment in Plant and Machinery” to “Annual Turnover”. The proposed definition defines a Micro enterprise as a unit where the annual turnover does not exceed Rs.5 Crore, a Small enterprise as a unit where the annual turnover is more than Rs.5 Crore but does not exceed Rs.75 Crore and a Medium enterprise as a unit where the annual turnover is more than Rs.75 Crore but does not exceed Rs.250 Crore.
- **GOVT. TO IMPLEMENT ALL LABOUR CODES IN ONE GO:** The Government is planning to implement all the four labour codes from a single date. While the labour code on wages has already become a law, the remaining three codes each on industrial relations, social security and welfare and occupational safety, health and working conditions have been introduced in the Lok Sabha. After all the four codes become law, industry will have to apply for a single registration for labour laws, instead of the need to do eight separate labour law registrations.
- **SEBI MANDATES UPFRONT MARGIN DEPOSIT IN SHARE TRADES:** SEBI has now mandated brokers to collect an upfront cash margin from retail investors even for buying and selling of shares. Institutional investors including foreign portfolio investors and mutual funds that treat equity trades as business transactions have been exempted. So far, clients did not have to pay brokers an initial amount to deal in the cash market segment as the entire amount was collected on a T+2 (Today+2) basis during settlement. Henceforth, like in the derivatives segment, the TMs/CMs (Trading Members/ Clearing Members) in the cash segment are also be required to mandatorily collect upfront VAR (Value at risk) and ELM (Extreme loss margin) from their clients.
- **E-INVOICING SYSTEM MADE MANDATORY:** According to the notification issued by CBDT, the new invoicing system has been made mandatory for businesses having a turnover of Rs.100

Crore or more from April 1, 2020. Businesses with a turnover of more than Rs.500 Crore are mandated to issue “e-invoices” with a Quick Response (QR) code from April 1. E-invoicing is a system in which invoices are authenticated electronically by GSTN for further use on the common GST Portal. This system will prescribe an identification number that will be issued against every invoice by the Invoice Registration Portal (IRP) to be managed by GSTN. All invoice information will be transferred from this portal to both the GST Portal and the e-way bill Portal in real-time.

- **SUPREME COURT RULING ON ASSETS UNDER IBC PROCESS:** (Case-Anand Rao VS. Varsha fabrics) In this case the Supreme Court has reiterated that once the National Company Law Tribunal (NCLT) starts a corporate insolvency process, it is not open to a High Court to auction the properties of the corporate debtor or pass an order that goes against the moratorium. The Apex Court said that in view of the provisions of the Insolvency and Bankruptcy Code (IBC), the High Court ought not to have proceeded with the auction of the property of the corporate debtor once the proceedings had commenced.
- **DATA PROTECTION BILL GIVES CENTRE UNLIMITED POWERS:** The proposed Data Protection Bill gives the Government power to access any non-personal information from anywhere at any given time. This gives the unlimited power over any data that is not listed as personally identifiable. It will also be able to exempt Government Agencies from the provisions of the Bill. The Bill also

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requires social media companies to create e-KYC like validation process. The validated users will get something like a blue tick or visible mark of verification which will be visible to all users of the service.

- **CENTRE EXPANDS AMBIT OF PARTIAL CREDIT GUARANTEE SCHEME:** Coming to the aid of NBFCs, the Union Cabinet gave its nod to tweak the existing Rs.1 Lakh Crore partial credit guarantee scheme. Also, the much-sought –after dilution in the minimum credit rating for availing the scheme has also been given the go ahead, with the minimum rating of the asset pool now lowered to “BBB+” from the earlier stipulated minimum level of “AA”. The centre has now created a separate window for those NBFCs/HFCs that may have slipped into a SMA-0 (Default1-30 days) category during the one year period prior to August 1, 2018 (turbulence due to IL&FS). The guarantee scheme will remain open till June 30, 2020 or till such date by which Rs.1 Lakh Cr in assets get purchased by banks, whichever is earlier.
- **CENTRE ISSUES UNIFORM STAMP DUTY FOR ALL TRANSACTIONS:** In a move that will curb menace of different states flexing their muscle on stamp duty collection in equity, currency and commodity markets, Centre has issued a uniform stamp duty structure across states, to be effective from January 2020. Detail of stamp duty charged is based on traded volume and is mentioned in a contract note. Brokers collected it and passed it on the respective states where trading volumes come from.
- **INDIA TO SWITCH TO CHAIN BASE METHOD FOR ESTIMATING GDP:** In a radical change, the Government is considering the possibility of moving to the chain base method of calculating India’s GDP from the current practice of a fixed base year to better reflect changes in the economy and prevent controversies. The Chain base Index is wherein the national account statistics or GDP estimates are compared with those of the previous period instead of a fixed base year, which is revised every five years. The chain base method will capture structural changes in the economy faster by allowing new activity and items to be added every year. Current GDP estimates are based on data for 2011-12 and are due for an update. The US shifted to the chain base method in 1996 and other developed countries

followed it.

- **SEBI INSTRUCTIONS REGARDING COMPLAINTS:** SEBI has said that it will entertain only those complaints where an investor discloses his identity and provides supporting documents to substantiate an allegation. SEBI further said that it will not take any action on complaints where it is not able to reach back to the complainants. The statement has come in the backdrop of an individual making several complaints wherein he made grave allegations over certain issues without any supporting documentary evidence and without disclosing his/her real identity. SEBI has said clearly “No” to complaints without ID, documentary proofs.
- **RBI TO BECOME SOLE REGULATOR OF LARGE UCBS:** Large Urban Co-operative Banks (UCBs) may now come to be solely under the provisions of the Banking Regulation Act in which RBI will be the sole regulator. The upcoming changes will bring the curtains down on the vexed issue of dual control of UCBs which has been in vogue for last 54 years. In the revised scheme, the inspection of the UCBs solely under BR Act will be done by RBI with those of others being carried out by the Registrar of Co-operative Societies (ROCS). The new framework will affect 1551 UCBs in the country which had a total business of Rs.7.36 trillion.
- **GOVT. PLANS TO ISSUE STRICTER AUDIT NORMS:** Ministry of Corporate Affairs plans to revise Company Auditors Regulation Order (CARO) 2016. Government through revised CARO wants auditors to provide a “Fund to fund” Audit to ascertain how money given as loans by one company to the other such as its own subsidiary or related parties is being utilised. The idea is to restrict the transfer of such funds as the funds are being given to a company which was not eligible to get a loan on its own. All this affects the financial health of a company. Auditors might soon have to provide a detailed report on usage of borrowed funds, comment on critical financial ratios and flag any factors that affect the going concern nature of the companies under audit.
- **INDIA’S FIRST BOND ETF TO BE LAUNCHED:** The Union Cabinet has approved the launch of India’s First Bond Exchange Traded Fund (ETF) which can be bought and sold like any listed security on the bourses. The ETF- “Bharat Bond ETF” will be made of AAA-rated papers issued by Government-linked companies to start with and will come in two maturities- 3 and 10 years. The Bond ETF will provide safety, since the underlying bonds would be issued by Government-linked entities, liquidity and predictable tax efficient returns.

GENERAL AWARENESS

- Korean Won is now – **Asia’s Best-Performing Currency.**
- General Bipin Rawat has been appointed by the Govt. as- **First Chief of Defence Staff.**
- Indian Captain who has been named in the “Cricketers of the Decade List”- **Virat Kohli.**
- Geeta Thunberg, 16-year old activist behind a Global wave of student strikes has been named in “Times Magazine”- **Person of the Year.**
- Indian Grandmaster Koneru Humpy, 32 has won –**World Women’s Rapid Chess Championship.**
- India has jumped 3 positions to 60 from 57 last year in- **Sustainable Development Goals.**
- Scheme in which UP has topped in the country with total Payout of Rs.10, 000 Crore- **PM Kissan Scheme.**
- Union Finance Minister, Sitharaman has been placed at 34th Ranking among- **World’s Most Powerful Women.**
- According to Unique Identification of India, 1.25 Billion Indian Residents now have- **Aadhar Card.**
- To ensure effective implementation of Labour Laws, Redress Portal which has been launched by the Union Labour Ministry to go live in January- **Santusht Portal.**
- In view of CPI based inflation rising to more than three years High of 5.54% and Policy Repo rate at 5.15%, rate which has become “Negative” in the Economy- **Real Interest Rate.**
- State which has topped in the country in terms of policy and infrastructure readiness and mission mode projects performance – **Chhattisgarh State.**
- Court which has ruled that the Trusts are not “Consumers” for purposes of the Consumer Protection Act- **Supreme Court.**
- India’s Ranking has jumped to 52 in 2019 from 108 in 2018 in- **Resolving Insolvency Index.**
- International Rating Agency which has downgraded GDP Growth to 4.9% from previous downgrade of 5.8% for FY 2020- **MOODY’S**
- Survey in which while Iceland has topped, India has slipped four places to rank 112th globally in terms of Gender Gap- **World Economic Forum’s Gender Gap Survey.**
- Index in which India has climbed 29 positions over the last five years and has gone from 81 in 2015 to 52 this year- **Global Innovation Index.**
- Air Carrier which has become the “First Indian Carrier” to operate 1500 daily flights- **IndiGo. Carrier.**
- The Government has designed a standard format for ration card as it moves ahead with - **One Nation, One Ration Card.**
- The Regulator who fined Google with •150 million Euros for abusing its dominant position on the market for advertising linked to web searches- **French Regulator.**
- As the professionals from IT Industry command the highest salaries, city in India which retains the Tag of “Highest-Paying City” in India- **Bengaluru.**

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- India has been placed at 142nd ranking among 190 nations after having jumped 14 places- **Ease of Doing Business Index.**
- Policy which will come into effect by April 1, 2020- **New Foreign Trade Policy.**
- Bank which has approved a total loan of \$210 million for irrigation and solar energy projects in India- **Beijing-based Asian Infrastructure Investment Bank.**
- Bank which has developed and handed over to RBI a Unique Digital Banking and Financial Literacy Tool for the “Hearing Impaired”- **ESAF Small Finance Bank.**
- Sangeeta Reddy, Joint MD of Apollo Hospital has been taken over as- **FICCI President.**
- Scheme under which the centre has approved Rs.1855 Crore for new projects- **Swadesh Darshan Scheme.**
- Scheme under which the Union Cabinet approved Rs.6000 Crore to improve groundwater management- **Atal Bhujal Yojana.**
- Bank Frauds increased from 5916 with amount of Rs.41167 Crore in 2018 to 6801 with amount of Rs.71543 Crore in 2019.
- Union Cabinet approved restructuring of the Railway Board through merger of its existing 8 Group A services into a Central service called- **Indian Railway Management Service (ARMS).**
- State which has approved Loan waiver of farm loans up to Rs.2 Lakh- **Maharashtra Govt.**
- While Tamilnadu has topped in the country in “Good Governance”, State which is the poor performer - **Odisha followed by Bihar.**
- Notification has been issued by the Finance Ministry for setting up - **GST Grievance Redressal Committee.**
- State which has got “Best Performing Award for Rural Employment”- **Andhra Pradesh.**
- Two Banks are the only Public Sector Lenders that have shown “Good Performance” in Digital Transactions in October as per “Monthly Rankings” by Ministry of IT- **SBI & Bank of Maharashtra.**
- As per ET Awards, Bajaj Finance has been awarded as- **Company of the Year.**
- Soma Roy Barman, a 1986- batch Indian Civil Accounts Service Officer has been appointed by the Govt. as- **24th Controller General of Accounts.**
- Navy has got Sub-Lieutenant Shivangi as- **First Woman Pilot.**
- In a First for both, who have launched a co-branded Credit Card for more than a million members (mostly kiryanas) of the latter’s best price modern wholesale stores in the country- **HDFC Bank and Walmart.**
- Rating Agency which has reaffirmed India’s Sovereign Rating at BBB-with a Stable Outlook- **Standard & Poor’s .**
- Govt. scheme under which NPAs have increased from 2.52% in FY 2018 to 2.86% in FY 2019- **Pradhan Mantri Mudra Yojana.**
- India has been ranked 73rd out of 152 countries in- **B2C E-Commerce UN Index.**
- Union Cabinet has approved the launch of India’s First Bond Exchange Traded Fund (ETF)- **Bharat Bond ETF.**
- Bank which has introduced a “Atoot Scheme” to provide immediate relief to the family of an employee dying in harness- **SBI.**
- Rating Agency which has downgraded its outlook for “Global Banks” to “Negative” from “Stable” citing slowing growth, low interest rates and volatile operative conditions- **Moody’s.**
- Capacity Utilisation in India’s Manufacturing Sector plummeted to 68.9% in September quarter, which is -**Worst-ever Level since 2008.**
- Index which has declined at 85.7 in November vis-s-vis 89.4 in September based on current perception of the economic situation, employment and price level- **RBI’s Consumer Confidence Index.**
- Scheme under which the Centre has so far disbursed around Rs.36, 000 Crore to the beneficiaries – **Pradhan Mantri Kisan Samman Nidhi Scheme.**
- Scheme under which for First time since launch of the scheme in February Govt. insists for “Aadhar-linked Accounts” only in which funds under 4th instalment will be given to Farmers-beneficiaries’- **PM-KISSAN Income Support Scheme.**
- While Norway has topped the Index, India has risen one rank to 129 in- **Human Development Index.**
- Scheme under which 5.91 Crore people have been enrolled in the country- **Pradhan Mantri Jeevan Jyoti Bima Yojana.**
- Agency which has banned Russia from Global Sporting Events for 4 years after accusing Moscow of falsifying data from an anti-doping laboratory- **World Anti-Doping Agency.**



MOCK-TEST PAPER

Questions on RBI Policy

- 01** Which of the following RBI direction is not applicable to IFSC Banking Units?
- LCR as applicable to bank
 - NFSR as applicable to a bank
 - Liquidity risk management
 - none of the above
- 02** IFSC Banking Units (IBUs) can maintain the following type of accounts?
- saving bank accounts
 - FC current accounts of units operating in IFSC and their corporate borrowers
 - deposits from high net worth individuals
 - all the above
- 03** IFSC banking units (IBUs) maintain FC fixed deposits of non-bank entities for a maturity period of:
- less than one year
 - one year
 - 1 year to 3 years
 - at their discretion
- 04** All authorised payment systems and instruments such as _____ are permitted by RBI for linking with the FASTags, which can be used for various types of payments (vehicle toll, parking fee, etc).
- non-bank PPIs,
 - cards
 - Unified Payments Interface (UPI)
 - all the above
- 05** With effect from 01.01.2020, all

business entities with turnover of Rs._____ are required to provide digital payment facility?

- Rs.10 cr and above
- Rs.50 cr and above
- Rs.60 cr and above
- Rs.100 cr and above

06 With effect from 01.01.2020, all business entities with a specified turnover are required to provide digital payment facility. If they fail to do so, they will have to pay fine of _____.

- Rs.10000 per day
- Rs.5000 per day
- Rs.100 per transaction
- Rs.50 per transaction

07 Which of the following groups of banks in not required to send credit information on large exposures to CRILC?

- scheduled commercial banks
- private banks
- urban cooperative banks
- *d none of these

08 Which of the following is a feature of new type of semi-closed Prepaid Payment Instrument?

- can be issued by banks and non-bank PPI providers
- mobile phone and OTP is mandatory
- can be used to buy goods and services and not for transfer of funds
- all the above

09 What is the value for which new type of semi-closed Prepaid Payment Instrument

can be issued?

- Rs.50000
- Rs.25000
- Rs.10000
- Rs.5000

10 What is the annual turnover value for which new type of semi-closed Prepaid Payment Instrument can be issued?

- Rs.5 lac
- Rs.3.60 lac
- Rs.2.40 lac
- Rs.1.20 lac

11 The aggregate exposure of a lender to all borrowers at any point of time, across all P2P platforms, shall be subject to a cap of ___ provided that such investments of the lenders on P2P platforms are consistent with their net-worth.

- Rs.100 lac
- Rs.50 lac
- Rs.25 lac
- Rs.10 lac

12 Member banks cannot levy any charges from _____ for funds transfers done through NEFT system which are initiated online (viz. internet banking and/or mobile apps of the banks)

- saving bank accounts
- current accounts
- cash transactions
- all the above

RECALLED QUESTIONS

13 On which of the following accounts relating to an NRI, income tax would be deducted at source and at what rate:

Disclaimer : We have taken every care to provide information, we believe to be accurate and reliable and do not assume responsibility of any kind nor shall be liable for losses & consequence arising from use thereof. Since this information is based on the published reports mostly, correctness or otherwise thereof may be verified by the user with the original sources, in advance.*Editor*



We strongly believe that the subscribers are the best consultants, we have. Based on their feed back, we keep on redesigning and restructuring this publication. Kindly send your suggestions and views.

- a all accounts at 10%
- b for NRE account at 10%
- c for FCNR account at 10%
- d for NRO at 30%
- e for all accounts at uniform rate of 30%
- 14** Which of the following keys are used in digital signature:
- a master key
- b public key
- c private key
- d customer key
- e b and c both
- 15** What the lending target in priority sector for micro enterprises:
- a 7.5% of ANBC
- B 7% of ANBC
- C 8% of ANBC
- D 7% of MSE loans
- 16** In the beginning of the financial year, the capital of a firm was Rs.24000. The firm earned a profit of Rs.4500 and paid tax at 20%. The partners also withdrawn Rs.1500. What is the closing balance in the capital account.
- a Rs.24000
- b Rs.26100
- c Rs. 27000
- d inadequate information
- 17** What is the margin on loan against physical shares that banks are to retain:
- a 25% of the market value
- b 50% of the market value
- c 50% of the face value
- d at discretion of the bank
- 18** Speed Clearing is enabled for cheques issued by account holders with the following transaction codes:
- a 10 (savings bank) only
- b 11 (current account) only
- c 13 (cash credit) only
- d all transaction codes, other than those relating to government cheques.
- 19** Establishment of Lok Adalt is governed by which of the following Acts:
- a SARFAESI Act
- b Recovery of Debt and Bankruptcy Act
- c Legal Services Authority Act 1987
- d Lok Adalt Act 1985
- 20** Who among the following bears the exchange fluctuation risk for the foreign currency in respect of Foreign Currency Non-resident (banks) accounts ?
- a Reserve Bank
- b Ministry of Commerce
- c Ministry of Finance
- d Depositor
- e Concerned banks
- 21** The payment of a cheques is made by a bank, without receiving the physical cheque from collecting bank, on the basis of electronic image, by using which of the following system:
- a RTGS b CTS
- c NEFT d ECS
- 22** What is the extent of loss of security for considering an account as doubtful NPA directly, in doubtful up to one year category:
- a 50% of the balance in the account
- b more than 50% of the sanctioned limit
- c realisable value is less than 50% of the value assessed
- d realisable value is 50% or less
- of the value assessed
- 23** Loan sanctioned by a bank to finance plant tissue culture and agri-biotechnology, seed production, production of bio-pesticides, bio-fertilizer and vermi composting is part of _____ within agriculture advances in priority sector.
- a farm credit
- b development loans
- c ancillary activity
- d agriculture infrastructure
- 24** In a partnership firm, a minor is admitted for benefits and he attains majority and decides to be a partner. His liability in this case shall begin from:
- a the date when he was admitted for benefits
- b the date of majority
- c the date when he decided to become partner
- d the date when he actually became full fledged partner
- 25** A company proposes to pay dividend to its a very large no. of shareholders holding small no. of shares. The most appropriate mode for such payment would be:
- a send dividend cheques to them
- b get dividend warrants printed
- c send demand draft to them
- d send dividend warrants in manageable lots of shareholders
- e use ECS-Credit service
- 26** Loans to distressed persons (other than farmers) up to Rs. _____ per borrower to prepay their loans to non-institutional lenders can be classified as part of other priority sector:
- a 25000
- b 35000
- c 50000

d	100000	directives is restricted to:	36	Section 269 T of Income Tax Act deals with which of the following aspects:
27	On the death of an FD holder his nominee claims the payment before maturity, but the legal heirs oppose such payment:	a 12% of the capital fund	a	payment of FDR in cash less than Rs.20000
a	The bank will not pay	b 20% of Tier-1 capital	b	preparation of bank draft in cash for less than Rs.50000
b	The bank will not pay because the legal heirs may also claim the amount on maturity	c 18% of paid up capital	c	obtaining PAN for opening term deposit account
c	Bank will pay as now the nominee has all rights of the depositor to obtain payment	d 22.5% of paid up capital	d	all the above
d	a and b	e 15% of the paid up capital	37	Bank-B maintained FDR account of X, who has expired. The FDR had matured after his death. What interest rate would be paid from date of maturity to date of payment to legal heirs:
28	A wants to have a bank account, where, after his death, B should be able to get payment of balance. He can:	32	a	no interest is payable
a	open a joint 'former or survivor' account	a	b	interest at saving rate is payable
b	nominate B in the account	b	c	interest applicable to FDR for the period deposit remained with bank is payable
c	appoint B as his agent after his death	c	d	simple interest applicable to FD for the period, the deposit remained with bank after maturity, is payable
d	any of the above	d	38	The insurance sector and capital market is regulated by which of the following:
29	X and Y have a joint locker in their name and Z is the nominee. In case Y dies, the access to the locker will be given by the bank to which of the following:	33	a	SEBI
a	X alone	a	b	IRDA
b	X and legal heirs of Y	b	c	IRDA and SEBI respectively
c	X and Z	c	d	SEBI and IRDA respectively
d	X, Z and legal heirs	d	39	Star series notes replace:
30	Unsecured exposure in the context of bank loans means where the quantum of security is ____, compared to amount of loan:	34	a	mutilated notes
a	50% or less	a	b	mismatched notes
b	20% or less	b	c	soiled notes
c	10% or less	c	d	counterfeit notes
d	5% or less	d	e	defectively printed notes
31	The normal exposure ceiling on individual borrowers under the large exposure framework in Indian banks as per RBI	35	Answers	
		a	01 d	02 b
		b	03 a	04 d
		c	05 b	06 b
		d	07 d	08 d
		a	09 c	10 d
		b	11 b	12 a
		c	13 d	14 e
		d	15 a	16 b
		a	17 b	18 d
		b	19 c	20 e
		c	21 b	22 c
		d	23 d	24 a
		a	25 e	26 d
		b	27 c	28 a
		c	29 c	30 c
		d	31 b	32 b
		a	33 c	34 d
		b	35 b	36 a
		c	37 d	38 c
		d	39 e	

RBI Bi-monthly Monetary Policy Dec 2019

The monetary policy review was undertaken by RBI on 5th Dec 2019. It kept its policy Repo rate and other rates unchanged. It announced certain measures, the details of which are given as under:

1. Primary (Urban) Co-operative Banks – Exposure Limits and Priority Sector Lending

With a view to reducing concentration risk in the exposures of primary (urban) co-operative banks (UCBs) and to further strengthen the role of UCBs in promoting financial inclusion, RBI proposed to amend certain regulatory guidelines relating to UCBs.

2. Primary (Urban) Co-operative Banks - Reporting to Central Repository of Information on Large Credits (CRILC)

RBI created a Central Repository of Information on Large Credits (CRILC) of scheduled commercial banks, all India financial institutions and certain non-banking financial companies with multiple objectives, which, among others, include strengthening offsite supervision and early recognition of financial distress. With a view to building a similar database of large credits extended by primary (urban) co-operative banks (UCBs), RBI decided to bring UCBs with assets of Rs.500 crores and above under the CRILC reporting framework.

3. Comprehensive Cyber Security Framework for Primary (Urban) Cooperative Banks (UCBs) – A Graded Approach

RBI had prescribed a set of baseline cyber security controls for primary (Urban) cooperative banks (UCBs) in October 2018. It further decided to prescribe a comprehensive cyber security framework for the UCBs, as a graded approach, based on their digital depth and interconnectedness with the payment systems landscape, digital products offered by them and assessment of cyber security risk.

4. Development of Secondary Market for Corporate Loans – setting up of Self-Regulatory Body

As recommended by the Task Force on Development of Secondary Market for Corporate Loans, RBI will facilitate the setting up of a self-regulatory body (SRB) as a first step towards the development of the secondary market for corporate loans. The SRB will be responsible, inter-alia, for standardising documents, covenants and practices related to secondary market transactions in corporate loans and promoting the growth of the secondary market in line with regulatory objectives.

5. Baseline Cyber Security Controls for ATM Switch application service providers of RBI regulated entities

A number of commercial banks, urban cooperative banks and other regulated entities are dependent upon third party application service providers for shared services for ATM Switch applications. Since these service providers also have exposure to the payment system landscape and are, therefore, exposed to the associated cyber threats, it has been decided that certain baseline cyber security controls shall be mandated by the regulated entities in their contractual agreements with these service providers.

DATA COLUMN

Business of Banks

(Rs.in cr)	Mar31'18	Dec20-19
Aggregate deposits	10805150	13008651
Cash in hand/RBI	570490	644704
Investments	3043660	3724228
Bank Credit:	7881890	9947202
-Food	53930	85143
-Non-Food	7827960	9862059
Cash-Deposit Ratio	5.27	4.63
Investment-Deposit	28.14	28.03
Credit-Deposit	72.95	76.91

Money Stock

(Rs.in cr)	Mar31'19	Dec20-19
M3 (Out of which)	15430670	16061648
(a) Currency with public	2052230	2179500
(b) Demand deposits-Banks	1626310	1474941
(c) Time Deposits - Banks	11720590	12374227
(d) Other deposits with RBI	31740	33979

Sources of Money Supply

(a) Net Bank credit to Govt	4387790	4919683
(b) Bank credit to Comrc'l sectr	10380180	10599400
(c) Net Forex assets of Banks	2977860	3434127

Important Banking Indicators

Statutory Liquidity Ratio	18.25%	(10.01.2020)
Cash Reserve Ratio	04.00%	(15.02.2013)
Overnight LAF (of NDTL)	0.25%	
14days term Repo(of NDTL)	0.75%	
Reverse Repo Rate	04.90%	(04.10.2019)
Repo Rate	05.15%	(04.10.2019)
MSF Rate	05.40%	(04.10.2019)
Bank Rate	05.40%	(04.10.2019)

Small Savings Interest Rates

PPF	7.9%	(01.07.2019)
5-year NSC	7.9%	(01.07.2019)
Sukanya Smridhi	8.4%	(01.07.2019)
Senior Citizen Saving	8.6%	(01.07.2019)

Capital & Money Market Indicators

Parameter	end-Dec18	end-Dec19
Dollar-spot TT (Rs.)	70.91	71.80
BSE - Sensex (points)	35312	41464
NSE - Nifty(S&P CNX)	10601	12227
Foreign reserves (Million \$)	392785	457468
Gold /Oz in USD)	1234	1542

INDIAN ECONOMY-IMPORTANT PARAMETERS

RBI's growth estimate for FY 2019-20	: 7.2%
GDP@constant mkt prices (cr) 2018-19	: 14077586
GVA@2011-12 basic prices (cr) 2018-19	: 12906936
GDP projected by Govt. for 2019-20	: 21007439
Fiscal Deficit Target (2019-20) 3.4% of GDP	: 703999 cr
Revenue Deficit Target (2019-20) 2.2% of GDP	: 470214 cr
Wholesale Price Index	: 3.2%
Money Supply (M3) expansion - YoY	: 10.3%
Exports during 2018-19	: 331.0 bn
Imports during (2018-19)	: 507.06 Bn
Export target - 2017-18 (in \$)	: 310 bn
India's share in world merchandise export	: 1.70%
India's currency rating (S&P)	: BB Postv
India's external debt (Mar 2019) US \$: 543.0 Bn
Tax-GDP ratio (2018-19)	: 12.1%
Apr- Oct19:Export \$ 185.6 bn Imports	: 280.7 bn
Per capita Income 2018-19 (Rs.)	: 126406
Indian economy's ranking in PPP terms	: 3rd
Indian economy's ranking in world in value:	: 7th

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