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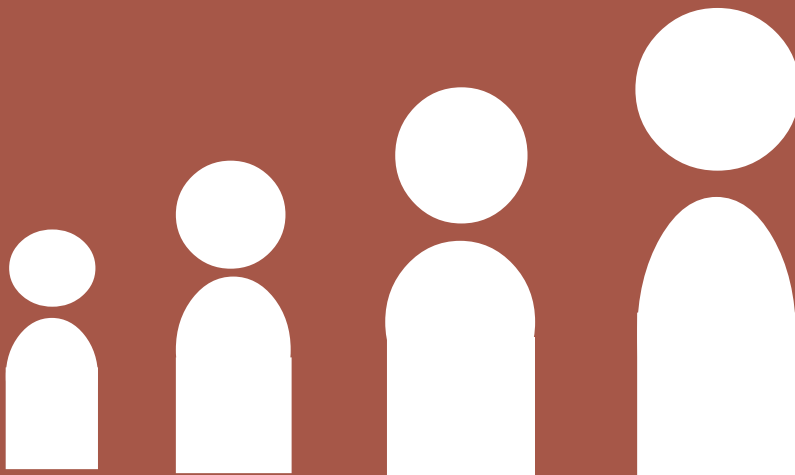
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# Banking events Update



Those who win, are those, who think they can

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**BANKING  
POLICY****New Definition of MSMEs - Clarification**

RBI issued following clarifications on 21.08.20

*Classification of Enterprises as per new definition*

(i) Classification / re-classification of MSMEs is the statutory responsibility of the GoI, Ministry of MSME, as per the provisions of the MSMED Act, 2006.

(ii) As per para 2 of the Govt. Gazette notification, all enterprises are required to register online and obtain 'Udyam Registration Certificate'. All lenders may, therefore, obtain 'Udyam Registration Certificate' from the entrepreneurs.

*Validity of EM Part II and UAMs issued till June 30, 2020*

(i) Existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAMs) of the MSMEs obtained till June 30, 2020 shall remain valid till March 31, 2021. Further, all enterprises registered till June 30, 2020, shall file new registration in Udyam Registration Portal before March 31, 2021.

(ii) 'Udyam Registration Certificate' issued on self-declaration basis for enterprises exempted from filing GSTR and / or ITR returns will be valid for the time being, upto March 31, 2021.

*Value of Plant and Machinery or Equipment*

The online form for Udyam Registration captures depreciated cost as on 31st March each year of previous year. Hence, value of Plant and Machinery or Equipment for all purposes and for all the enterprises shall mean the Written Down Value (WDV) as at the end of the Financial Year as defined in the Income Tax Act and not cost of acquisition or original price, which was applicable in the context of the earlier classification criteria.

**Submission of returns under Section 31 of the Banking Regulation Act, 1949 (AACs) – Extension of time**

Under Sec 31 of Banking Regulation Act, 1949 read with Section 56 [as amended by Banking Regulation (Amendment) Ordinance, 2020], accounts and balance-sheet u/s 29 of the Act together with the auditor's report shall be published in the prescribed manner and three copies thereof shall be furnished as returns to RBI within 3 months from the end of the period to which they refer. RBI may in any case extend the said period of three months for the furnishing of such returns by a further period not exceeding three months.

The aforesaid Ordinance amending, inter alia, Sec 31 has been notified on 29.06.20 for primary (urban) co-op banks (UCBs) and also as UCBs may be facing difficulties in submission of the returns due to the ongoing COVID-19 pandemic, it is considered necessary to allow more time for submission of the aforesaid return for the financial year ended on March 31, 2020. In view of the above, RBI extended (on 26.08.20) the said period of three months by a further period of 3 months. Accordingly,

all UCBs shall ensure submission of the aforesaid returns to RBI on or before September 30, 2020.

**Ad-hoc/Short Review/Renewal of Credit Facilities**

As per circular dated 7.10.1999 on Risk Management System in Banks, Scheduled Commercial Banks (SCBs) are required to put in place a board approved credit policy, which, inter alia, should prescribe the periodicity and methodology of review/renewal of credit facilities. The policy should also prescribe differential time schedules for review/renewal of borrower limits so that lower rated borrowers whose financials show signs of problems are subjected to renewal control more frequently.

An analysis of practices followed by the lenders while reviewing/renewing credit facilities has brought out certain supervisory concerns, including that of frequent/repeated ad-hoc review/renewal of credit facilities instead of regular review/renewals, non-capturing and/or inaccurate capturing of review/renewal data in the banking/information systems, and non-coverage of review/renewal activities under the concurrent audit/internal audit mechanism.

On 21.08.20, RBI reiterated that timely and comprehensive review/renewal of credit facilities should be an integral part of the Board approved loan policy and credit risk management framework, and banks should avoid frequent and repeated ad-hoc/short review/renewal of credit facilities without justifiable reasons. Banks have also been advised to capture all the data relating to regular as well as ad-hoc/short review/renewal of credit facilities in their core banking systems/management information systems and make the same available for scrutiny as and when required by any audit or inspection by Auditors/RBI. Further, the processes governing review/renewal of credit facilities should be brought under the scope of concurrent/internal audit/internal control mechanism of banks with immediate effect.

### System-based asset classification - UCBs

UCBs have been advised by RBI on 12.08.20 to refer to Master Cir dated 1.7.2015 containing consolidated instructions on income recognition, asset classification, provisioning and other related matters.

In order to improve the efficiency, transparency and integrity of the asset classification process, RBI on 12.08.20, decided to implement system-based asset classification in urban co-operative banks (UCBs). The relevant instructions in this regard are as under:

1) UCBs having total assets of Rs.2000 crore or above as on March 31, 2020 shall implement system-based asset classification with effect from June 30, 2021.

2) UCBs having total assets of Rs.1000 crore or above but less than Rs.2000 crore as on March 31, 2020 and having self-assessed themselves as being under Level III or Level IV on Comprehensive Cyber Security Framework for UCBs shall implement system-based asset classification with effect from September 30, 2021.

3) UCBs which meet the above criteria as at the end of the current or subsequent financial years shall implement system-based asset classification within a period of *six months* from the end of the financial year concerned.

4) For smooth implementation of the system, all concerned UCBs may conduct pilot/parallel run and evaluate the results for accuracy/integrity of the asset classification in compliance with the applicable RBI instructions so as to ensure that they are ready for implementation of the system-based asset classification from the appointed date.

5) UCBs not meeting the above criteria are also encouraged to voluntarily implement the system-based asset classification in their own interest.

### Loans against Gold Ornaments and Jewellery for Non-Agricultural End-uses

Under the extant guidelines, loans sanctioned by banks against pledge of gold ornaments and jewellery should not exceed 75% of the value of gold ornaments and jewellery.

To further mitigate the economic impact of the Covid19 pandemic, on 06.08.20, RBI decided to increase the permissible loan to value ratio (LTV) for loans against pledge of gold ornaments and jewellery for non-agricultural purposes from 75 per cent to 90 per cent. This enhanced LTV ratio will be applicable up to March 31, 2021 to enable the borrowers to tide over their temporary liquidity mismatches on account of COVID 19. Accordingly, fresh gold loans sanctioned on and after April 1, 2021 shall attract LTV ratio of 75 per cent.

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## Opening of Current Account by Banks - New Rules

The instructions on opening of current accounts as per circular dated 02.07.2015, by banks have been reviewed by RBI on 06.08.20 and the revised instructions are as under:

- i. No bank shall open current accounts for customers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from banking system. All transactions shall be routed through CC/OD a/c.
- ii. Where a bank's exposure to a borrower is less than 10% of the exposure of the banking system to that borrower, while credits are freely permitted, debits to the CC/OD account can only be *for credit to the CC/OD account of that borrower with a bank that has 10% or more of the exposure of the banking system to that borrower*. Funds will be remitted from these accounts to the said transferee CC/OD account at the frequency agreed between the bank and the borrower. Further, the credit balances in such accounts shall not be used as margin for availing any non-fund based credit facilities. In case there is more than one bank having 10% or more of the exposure of the banking system to that borrower, the bank to which the funds are to be remitted may be decided mutually between the borrower and the banks. It may be noted that banks with exposure to the borrower of less than 10% of the exposure of the banking system can offer working capital demand loan (WCDL) / working capital term loan (WCTL) facility to the borrower.
- iii. Where a bank has a share of 10 per cent or more in the total exposure of the banking system to the borrower, it can provide CC/OD facility as hitherto.
- iv. In case of borrowers covered under guidelines (5.12.2018) on loan system for delivery of bank credit, bifurcation of working capital facility into loan component and cash credit component shall henceforth be maintained at individual bank level in all cases, including consortium lending.
- v. In case of customers who have not availed CC/OD facility from any bank, banks may open current accounts as under:
  - a. In case of borrowers where exposure of the banking system is Rs.50 crore or more, banks shall be required to put in place an *escrow mechanism*. Accordingly, current accounts of such borrowers can only be opened/maintained by the escrow managing bank.

- However, there is no restriction on opening of 'collection accounts' by lending banks subject to the condition that funds will be remitted from these accounts to the said escrow account at the frequency agreed between the bank and the borrower. Further, the balances in such accounts shall not be used as margin for availing any non-fund based credit facilities. While there is no prohibition on amount or number of credits in 'collection accounts', debits in these accounts shall be limited to the purpose of remitting the proceeds to the said escrow account. *Non-lending banks shall not open any current account for such borrowers.*
- b. In case of borrowers where exposure of the banking system is Rs.5 crore or more but less than Rs.50 crore, there is no restriction on opening of current accounts by the *lending banks*. However, non-lending banks may open only collection accounts as defined above.
  - c. In case of borrowers where exposure of the banking system is less than Rs.5 crore, banks may open current accounts subject to obtaining an undertaking from such customers to the effect that customers shall inform the bank(s), if and when the credit facilities availed by them from the banking system becomes Rs.5 crore or more. The current account of such customers, as and when the exposure of the banking system becomes Rs.5 crore or more and Rs.50 crore or more, will be governed by the provisions of para (v) (b) and (v) (a) respectively.
  - d. Banks are free to open current accounts of prospective customers *who have not availed any credit facilities from the banking system*, subject to due diligence as per their Board approved policies.
2. Banks shall monitor all current accounts and CC/ODs regularly, *at least on a quarterly basis*, specifically with respect to the exposure of the banking system to the borrower, to ensure compliance with these instructions.
  3. Banks should not route drawal from term loans through current accounts. Term loans are meant for specific purposes, the funds should be remitted directly to the supplier of goods and services. Expenses incurred by the borrower for day to day operations should be routed through CC/OD account, if the borrower has a CC/OD account, else through a current a/c.
  4. As regards existing current and CC/OD accounts, banks shall ensure compliance with the above instructions within a period of three months from the date of this circular (i.e.06.08.20).



### CGTMSE's CREDIT GUARANTEE SCHEME FOR PM Street Vendors' AtamNirbhar Nidhi (PMSVANIDHI)

The Scheme implemented w.e.f. 02.07.20, provides for a *Graded Guarantee Cover* for loans sanctioned, on portfolio basis.

#### Guarantee cover basis:

CGTMSE will provide credit guarantee on portfolio basis. All loans sanctioned *in a month* can be pooled for guarantee cover. Loan should conform to provisions of PM Street Vendors' AtamNirbhar Nidhi (PMSVANIDHI).

#### Guarantee fee : Nil

**Guarantee cover percentage:** Guarantee provided will be a portfolio level guarantee by CGTMSE.

All loans given by each Lender under the scheme will be considered as part of one portfolio and the guarantee coverage on the portfolio will be as following: .

- a) 100% guarantee cover up to first 5% loss of the portfolio amount covered under the guarantee.
- b) 75% guarantee cover beyond 5% up to 15% loss of the portfolio amount covered under the guarantee.
- c) Maximum guarantee coverage will be 15% of the year portfolio

#### Illustration:

i. Out of a portfolio of Rs.100 crore, if Rs.10 crore turns into NPA, then first Rs.5 crore will be paid in full (i.e. 100% guarantee cover on the eligible amount)

For the remaining Rs.5 crore, 75% guarantee cover on the eligible amount would be paid (i.e. Rs.3.75 crore).

The total amount paid towards claim would be Rs.8.75 crore.

ii. Out of a portfolio of Rs.100 crore, if Rs.20 crore turns into NPA, then first Rs.5 crore will be paid in full (i.e. 100% guarantee cover on the eligible amount) and for the remaining Rs.15 crore, 75% guarantee cover on the eligible amount (Rs.10 crore) would be paid (i.e. Rs.7.50 crore). The total claim settlement would be Rs.12.50 crore as per the graded guarantee criteria.

**Invocation of guarantee:** Max within 1 year from date of NPA.

**Claim payment :** 75% of eligible claim shall be paid within 30 days. Balance 25% shall be paid on conclusion of recovery process.

If later on claim is found to have discrepancies, CGTMSE can recover the amount with interest @ 4% above bank rate.

### PM Street Vendor's AtamNirbhar Nidhi (PMSVANIDHI)

It is a Central Sector Scheme i.e. funded by Ministry of Housing and Urban Affairs.

**Eligible States :** It is available in those States/UTs which have notified Rules and Scheme under Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014.

**Lenders :** Commercial Banks, RRBs, Small Finance Banks, Cooperative Banks, NBFCs, Micro Finance Institutions (MFIs) & SHG Banks

**Eligibility Criteria of Beneficiaries :** It is available to all street vendors engaged in vending in urban areas as on or before March 24, 2020.

#### Details of the Product :

- Beneficiaries can avail a Working Capital (WC) loan of up to Rs.10,000 with tenure of 1 year and repay in monthly instalments.
- No collateral will be taken.
- On timely or early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit.
- No prepayment penalty will be charged from vendors for repayment before the scheduled date.

**Rate of Interest :** As per RBI guidelines.

#### Interest Subsidy :

- Vendors can get an interest subsidy @ 7%.
- It will be credited into account quarterly.
- Lenders will submit quarterly claims for interest subsidy for quarters ending as on June 30, Sept 30, Dec 31 and March 31 for each financial year.
- Subsidy will only be considered for Standard Loans of borrower on respective claim dates and only for those months during which the account has remained Standard in the concerned quarter.
- The interest subsidy is available up to March 31, 2022.

#### Promotion of Digital Transactions by Vendors :

The scheme will incentivize digital transactions by vendors through cash back facility. The onboarded vendors would be incentivised with a monthly cashback in the range of Rs.50 – Rs.100.

## Practical Problems based on Banking Ombudsman Decisions

**1. Renewal of Fixed Deposit (FD):** A complainant had two FDs with different maturity dates. Due to his illness, he could not go to the bank at the time of maturity of FDs. Instead, he sent his younger brother to the bank for enquiry about renewal of FDs. The bank authorities told him that FDs would be renewed automatically for the same period. Later, when he went to the bank for renewal of FD, he found that the FDs were renewed from the date he visited bank after maturity, resulting in loss of interest. The bank gave him interest on FD at SB rate for the overdue period i.e., from the maturity date till the date he visited the branch. He brought the matter to the notice of the Branch Manager but as no response was received from the bank for one month, he approached the BO.

The bank stated in its submission to the BO that the complainant had not given specific instructions in the account opening form for auto renewal of FDs. However, when the complainant approached the bank, FDs were renewed without wasting any time and the overdue interest for interim period was also paid to the complainant as per the policy of the bank. BO opined that from the available documentary evidence, it was not possible for the office to ascertain veracity of verbal communication between the bank officials and the complainant's brother as claimed by the complainant. As the complaint required examination of elaborate documentary and oral evidence, BO closed the complaint under Clause 13(d) of the Scheme. As per RBI guidelines on interest rates on rupee deposits, all aspects concerning renewal of overdue deposits have been entrusted to individual banks subject to their Board laying down a transparent policy in this regard. In the absence of the relevant instructions for auto renewal to the bank, the FDs of the complainant have not been renewed. The bank, however, paid overdue interest as per the Bank's policy. The AA after taking into consideration the facts remanded the case to BO for re-examination.

**2. No deficiency of service – non-availability of interest subvention:** The complainant had availed jewel loan from the bank in 2012 which was renewed in 2013 and 2014 by remitting interest. Subsequently, he repaid the loan in 2015 and represented to the bank for grant of interest subvention under Agricultural Interest Subvention Scheme (AISS) in 2017. Since renewal of jewel loan account was not eligible for interest subvention, his request was not acceded to by the bank. He lodged complaint with the BO in August 2017. The bank clarified that AISS did not cover jewel loan and also that the complaint was over 22 months old from the cause of action. BO accepted the bank's contention and closed the complaint under Clause 13(g) of the Scheme, i.e. 'in the opinion of BO there is no loss or damage, or inconvenience caused to the complainant'. The complainant filed an Appeal claiming additional interest subvention for timely payment of interest and a compensation for mental agony and trauma which he suffered for four years for alleged harassment by bank by not granting interest subvention. The AA observed that as per the extant regulatory guidelines, eligibility for interest subvention required repayment of loan. As the complainant did not repay the loan but merely renewed it by paying the interest, he was not eligible for the interest subvention or compensation. The AA observed that there was no deficiency of service on the part of the bank and upheld the decision of BO.

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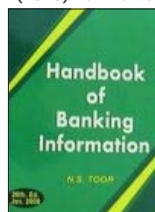
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## Financial Events in August 2020

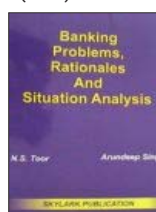
- GOVT. NOTIFIES E-INVOICING FOR FIRMS:** The Government has notified an e-invoicing system under the GST Regime which makes it mandatory for large businesses with turnover of over Rs.500 Crore to submit sales invoices electronically. When the system stabilises then the system will cover with turnover of Rs.100 Crore. The system is expected to be rolled out from October 1. The system has been implemented to track movement of goods and track flow of transactions and identification of revenue leakages.
  - IDR BID ADIEU TO DOMESTIC EXCHANGES:** Indian depository receipt (IDR) is a rupee-denominated security, listed on domestic bourses, created against the underlying shares of an overseas company. IDRs enable overseas companies to raise funds from Indian investors. In 2010, the first and only IDR took off from Standard Chartered Plc. Domestic bourses were not able to attract any other company to raise funds from India through the IDR route. After a decade-long experiment, Standard Chartered Bank decided to delist its IDR from Indian bourses from June 15.
  - SEBI SCRUTINY ON NON-FUNDED FDs AS COLLATERAL:** The use of “Non-funded” fixed deposits (FDs) as collateral to get a trading limit in equity and commodity markets, has come under the scanner of SEBI. SEBI has asked details of cash collaterals from exchanges clearing corporations where private banks promise Rs.100 worth FDs against small deposit actually deposited by a broker. Banks call such an arrangement a “Funded Bank Guarantee” and the clearing corporations have extended trading limits to brokers against it. Banks earn fee on such guarantees. Recently, in the commodity segment, when crude oil prices crashed below Rs.1, SEBI saw risk from non-funded FDs as collateral. By SEBI’s new rule brokers now have to collect full margins from clients and any short reporting will attract penalties.
  - LISTED PSUs TO ACHIEVE MINIMUM PUBLIC SHAREHOLDING NORM:** The Finance Ministry had notified in 2018 that every listed public sector company which has public shareholding below 25% to increase is public share
- holding to at least 25% within a period of two years from the date of the notification (August 3,2018). Since many PSUs are yet to achieve a minimum public shareholding target and considering the pandemic situation, the Government has extended the deadline by one year more to achieve the target.
- GOVT. INCENTIVES UNDER PLI SCHEME:** The Production Linked Incentive (PLI) Scheme for large scale electronics manufacturing was notified by the Government on April 01 and it was open for filing applications till July 31. The incentives are applicable under the scheme from August 01. The scheme extends an incentive of 4% to 6% on incremental sales (over base year) of goods under target segment that are manufactured in India to eligible companies for a period of five years subsequent to the base year (FY2019-20). The Government will allow five global champions and five domestic manufacturers in mobile phones manufacturing to start first under this scheme.
  - GOVT. MOVE FOR “ONE NATION ONE CARD PLAN”:** The Government has enabled the integration of four additional states-J&K, Manipur, Nagaland and Uttrakhand-to the “One Nation One Card” scheme and with this move the scheme has now been enabled in 24 states/UTs. The Government aims to integrate the remaining states/UTs by March next.

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With this, about 65 Crores (80%) of total National Food Security Act, 2013 (NFSA) scheme population is now potentially enabled for receiving food grains anywhere in these states/UTs through national portability of ration cards. The scheme aims to ensure the delivery of food security entitlements to all beneficiaries covered under the Act irrespective of their physical location anywhere in the country by implementing nation-wide portability of ration cards.

- **SEBI TIGHTENS DISCLOSURE NORMS FOR PROXY ADVISORY FIRMS:** SEBI has asked proxy advisory firms to disclose the methodologies and processes followed in the development of their research. They have also been told to share their reports with clients and the company being reviewed. This sharing policy should be disclosed by proxy advisors on their website. The timeline to receive comments from the company may be defined by proxy advisors and all comments/clarifications received from the company within the timeline shall be included as an addendum to the report. Proxy advisors help shareholders with data, research and recommendations on management/corporate governance issues.
- **CAG TO GOVT. ON RECAPITALISING OF PSU BANKS:** Comptroller and Auditor General of India (CAG) want to look into the issue of recapitalisation of PSU Banks. The Auditor wants to know if the money given to these banks as part of recapitalisation has been utilised correctly. In a marked deviation from the past trend, when the Government infused capital into PSU Banks from its kitty (Essentially from taxpayer's money) since fiscal 2018, the Centre has been funding them via recapitalisation bonds owing to its weak finances. The money raised through issue of recap bonds is pumped in as capital into PSBs (Hence not counted under the fiscal deficit calculation).
- **RBI FIRM ON NO BANK LICENCE TO INDIA INC:** RBI has stuck to its traditional stand of restricting large corporates from promoting banks. Most developed countries have moved away from the model of banks being owned or controlled by large business houses, especially after 2008-09 global financial crises. RBI's main concern is that if large business houses take a controlling stake in banks, tracking the money trail and its end-use might become challenging.
- **GOVT. NOTIFICATION EXPANDS AMBIT OF AADHAR USE:** This notification opens up a method to use Aadhar for agriculture, education and health schemes under UID can be used for smooth running of schemes

through quick identification and weeding out of fakes and duplicates from the system. Aadhar can also be used to curtail misuse of Government identity cards such as driving licences, since an offender can not get a duplicate once it is linked to the unique identity. Under the new rules, any Government department can link its schemes with Aadhar to verify or authenticate.

- **RBI ALLOWED BANKS TO RESTRUCTURE LOANS:** RBI has allowed all financial institutions to restructure loans of both companies and individuals without classifying them as NPA as a one-time dispensation to help them to manage the financial stress caused by Covid-19 pandemic. An expert committee has been formed by RBI which is to be headed by former ICICI Bank CEO KV Kamath to finalise the parameters for the restructuring and suggest ways in which the plan will be implemented.
- **RBI ALLOWED SLF OF Rs.10 CRORE TO NABARD AND NHB:** RBI has allowed additional Special Liquidity Facility (SLF) of Rs.10 Crore to NABARD and NHB (Rs.5000 Crore each to NABARD and NHB) at its policy lending rate. Under this facility, a small NBFC and micro lenders which extend small sized loans to the poor and housing finance companies focussed on affordable lending are going to get liquidity assistance via NABARD and the NHB respectively. This is the second support offered to these institutions since the country went into a nationwide lockdown in March. While NABARD got a refinance support of Rs.35000 Crore in April and NHB got Rs.10000 Crore.
- **IBBI ALLOWS REPLACING LIQUIDATOR DURING VL PROCESS:** The Insolvency and Bankruptcy Board of India (IBBI) has now allowed corporates the flexibility to




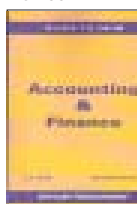




replace its liquidator during Voluntary Liquidation (VL) process. The existing liquidator can be replaced by appointing another insolvency professional as liquidator by a resolution of members or partners or contributories. Previously, there was no specific regulation for replacing the liquidator during the voluntary liquidation process. IBBI has also clarified that where a liquidator realises any amount but does not distribute the same, he shall be entitled to a fee corresponding to the amount realised by him. Likewise, where a liquidator distributes any amount, which is not realised by him, he shall be entitled to a fee corresponding to the amount distributed by him.

- RBI ANNOUNCES MEASURES TO BOOST DIGITAL PAYMENTS:** RBI has introduced a slew of measures to promote digital payments including a scheme for offline payments using mobile devices and cards and also announced a Positive Pay Mechanism to prevent frauds with high value cheques. Under this mechanism, cheques will be processed for payment by the drawee bank based on information passed on by its customer at the time of issuance of a cheque. The Positive Pay Mechanism will cover approximately 20% and 80% of total cheques issued in the country by volume and value respectively. The mechanism will be for all cheques of values of Rs.50, 000 and above.
- GST RETURNS FORM WITH IMPROVED FEATURES FROM SEPTEMBER:** GST Assessee in the country will have an improved form to file returns from September. Also, the GST Portal's capacity to accept returns would be near-doubled. The capacity to file returns on the GST Portal has been enhanced to 3 Lakh while the capacity of the gateway will be 5Lakh at any point of time. As regards improvement in the returns filing mechanism, there will be complete linkage of GSTR1, GSTR2B and GSTR3B. This will put a complete check on liability mismatch and greater check on input tax credit mismatch.
- CBDT ISSUES NORMS FOR ALTERNATIVE TAX DISPUTE RESOLUTION MECHANISM:** CBDT has issued a comprehensive Mutual Acceptance Procedure (MAP) guidance for the benefit of taxpayers, tax authorities, and treaty

partners. The guidance comes in the wake of recommendations of report of the Base Erosion and Profit Splitting (BEPS) project of the OECD and G-20 countries.

- IBBI COMES OUT WITH "RED-FLEG" DOCUMENT:** IBBI has come out with a "Red Flag" document that would serve as a guide to Insolvency Professional (IP) during the Corporate Insolvency Resolution Process (CIRP) and help detect if the corporate debtor has been subjected to any "avoidance transactions". Insolvency Law frowns on alienations of property prior to the commencement of the insolvency proceedings, if it vitiates the sanctity of equitable distribution (Pari passu treatment of the creditors of the same class) and maximisation of the value of the assets of a corporate debtor. Such alienations are called avoidance transactions. They vitiate insolvency proceedings. The IP is duty bound to file an application with the adjudicating authority seeking claw back of the value lost in avoidance transactions.
- SEBI ALLOWS MF TRUSTEES TO APPOINT OFFICER TO ASSIST:** SEBI has allowed trustees of mutual funds to appoint a dedicated officer to assist them in carrying out their fiduciary duty. The officer should have a professional qualification and minimum of five years experience in finance and financial services related field. The officer will be an employee of the trustees and directly report to

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them. These instructions will be applicable from October 1.

- **PM LAUNCHES AGRICULTURE INFRASTRUCTURE FUND:** The Prime Minister has formally launched the recently-announced Rs.1 Lakh Crore Agriculture Infrastructure Fund. It is meant to provide support to farmers, PACS and agri-entrepreneurs to build community farming assets and post harvest infrastructure. Under the scheme, Rs.1 Lakh Crore will be provided by banks and financial institutions as loans with interest subvention of 3% p.a and credit guarantee coverage for loans up to Rs.2 Crore. The duration of the scheme will be 10 years from FY 2020 to FY 2029.
- **GOVT. GIVES POWERS TO RBI TO ADMINISTER FDI REGIME:** The Central Government has given the powers to RBI through a notification on July 27, to administer the FDI Regime which includes allowing Central Bank to interpret various rules and grant exemptions pertaining to FDI. The rule change applies only to foreign direct investment which is purchase of shares in the secondary market. The change could cut down the processing time for FDI applications to 5-6 weeks compared with 3-4 months currently.
- **SUPREME COURT RULING ON HUF PROPERTY:** The Supreme Court has ruled that a daughter can claim an equal share of parental property. This will be applicable even if the father had died before the enforcement of the 2005 amendment to the Hindu Succession Act. The Apex Court has said that the provisions contained in the substituted section 6 of the Hindu Succession Act, 1956 confer the status of coparcener on the daughter born before or after the amendment in the same manner as a son with same rights and liabilities.
- **IBBI GUIDELINES FOR COMPETING BIDDERS IN CIRP:** Insolvency Regulator IBBI has issued guidelines for competing bidders in a Corporate Insolvency Resolution Process (CIRP). With the latest change, the Committee of Creditors (COP) would be required to put

to vote all compliant resolution plans simultaneously. The resolution plan that receives the highest vote, but not less than 66% of voting share would be considered as approved.

- **SEBI MULLS FASTER SETTLEMENT FOR STOCK TRADES:** SEBI is considering a reduction in settlement cycle for completion of share transactions to T+1-an abbreviation for “Trade plus one day”-from the existing T+2. The move is expected to improve liquidity, boost efficiency and reduce risks to the system. A T+1 system would mean that trades will be settled the day after the transaction. So, a buyer would get the shares in the Demat account and the seller would get the sale proceeds the next day. Currently, trades are settled two working days after execution. India had moved to the T+2 settlement cycle from T+3 cycle nearly 17 years ago. SEBI had introduced the T+5 system for stocks in July 2001 which was cut to T+3 in April 2002 and further shortened to T+2 in April 2003.
- **LABOUR CODES EMPOWER STATES TO CHANGE LAWS:** According to the Labour Code, states will be able to introduce significant changes to their labour law framework. such as allowing retrenchment of workers, sans a legislative amendment under the proposed labour codes. The Centre has rejected the key recommendation of Parliamentary Standing Committee that powers should not be given to states. Now, once approved, the Codes will give powers to the state governments to notify changes to the threshold needed for retrenchment of workers, hire fixed-term employees, and weaken the negotiating power of trade unions while strengthening the health facilities for workers at the factory premises.
- **SUPREME COURT RULING ON LIMITATION PERIOD IN IBC CASES:** The Supreme Court has ruled that NCLT can not admit applications for Corporate Insolvency Process (CRP) initiations where more than three years have passed since the date of debt default. The Apex Court has confirmed the operation of Law of Limitation over IBC proceedings and reaffirmed that three year time period as prescribed under the limitation Act for recovery of the debt would apply for admission of corporate insolvency resolution process.

## GENERAL AWARENESS

- Inflation which eased to 5.06% in June from 8.59% in the same month last year- **Retail Inflation for Industrial Workers.**
- Partha Pratim Sengupta has been appointed as- **MD&CEO of Indian Overseas Bank.**
- Economy which tumbled into its Worst Recession by record 12.1% in the Second Quarter- **Euro Zone Economy.**
- Six Banks-SBI, PNB, BOB, BOI, Canara Bank and Union Bank have been shortlisted in which Govt. to cut in 12-18 months its- **Stake to 51%.**
- Tournament which will be held from September 19 to November 10 at UAE- **Indian Premier League (IPL).**
- Scheme under which the accounts spurred with Covid Relief to “40 Crore Mark” since the launch in August 2014- **PM Jan Dhan Yojana (PMJDY) Scheme.**
- After Two Power Exchanges (IEX and PXIL) PTC India gets CERC nod to set up – **Third Power Exchange.**
- Shortest ruling benchmark ever, Govt has launched new set of- **10-Year Benchmark Bonds.**
- Bonds listed on NSE which delivered a return of 8-12% in last one month due to sharp rally in gold prices- **Sovereign Gold Bonds.**
- RBI has approved the name of Sashidhar Jagdishan as- **MD&CEO of HDFC Bank.**
- Govt. has approved extension for appointing Ajay Tyagi by more 18 months till February 28, 2022 as- **Chairman of SEBI.**
- Free Export of “Made-in-India Ventilators” for Covid-19 allowed by- **DGFT.**
- Returns which surged from 4.04 Crore to 6.87 Crore and scrutiny of cases declined from 0.71% to 0.25% from Assessment Years 2015-16 to 2018-19 –**Income Tax Returns.**
- Corporation which launched its Fund-raising of Rs.14, 000 Crore through the Qualified Institutional Placement- **Housing Development Finance Corporation (HDFC)**
- State which is Most Tax-Compliant State in FY 2019 with 22.3% Income Tax Returns filing against National Average of 12%- **Gujarat.**
- Portal which has doubled its Network Capacity to handle 3 Lakh Users who were 1.5 Lakh before June 2020- **GST Portal.**
- On Pilot Basis, An Exclusive Parcel Train which has been inaugurated by the Govt. to carry fresh and perishable farm produce between Nasik and Patna- **Kisan Rail.**
- Institute which has announced the cost of “Covid-19 Vaccine” at Rs.250 a dose- **Serum Institute of India.**
- Index in which sentiment has been steadily falling since imposition of Biggest Pandemic Lockdown in March and reached at 53.8 in July (Below 100 Mark)- **Consumer Confidence Index.**
- Registry which will be launched by the Govt. to enable

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collection of real-time clinical data for evidence-based clinical practice, research, formulating guidelines and policy making- **National Clinical Registry for Covid-19.**

- Mission has been launched by the Centre which proposes a Unique Health ID for each citizen- **National Digital Health Mission.**
- Country which has emerged as World's Biggest Covid-19 Hotspot in August- **India followed by US and Brazil.**
- Scheme from which Gujarat, too exits after Bihar and West Bengal while Punjab did not implement it at all, citing Premium Burden- **PM Fasal Bima Yojana.**
- Online Dashboard which has been launched by the Union Finance Minister to be a one stop solution for all stakeholders for getting information on Infrastructure Projects in India- **National Infra Pipeline Online Dashboard.**
- Tata Motors has overtaken Mahindra & Mahindra to third place in terms of vehicles registered in July while top of the Company is- **Maruti followed by Hyundai.**
- Indian Industrialist who has moved one notch up to emerge as the "4<sup>th</sup> Richest Man" in the World- **Mukesh Ambani, MD of Reliance Industries Ltd.**
- Country which has claimed to be "First Country to have a Covid-19 Vaccine"- **Russia.**
- Bank which plans to Capital Infusion of Rs.2700 Crore for branch operations in India-**Deutsche Bank.**
- While Cheapest City in the World in terms of Rent is "Ho Chi Minh City", Most Expensive City in the World is- **New York City.**
- Country which enters Recession as GDP tumbles 20.4%, Worst in Europe- **Britain.**
- Scheme which has been launched by the Prime Minister for all tax payers in India- **Faceless Tax Assessment Scheme.**
- Credit Registry which will go live early 2021- **RBI's TCS-Coded Public Credit Registry.**
- Index in which Bengaluru has been ranked 26<sup>th</sup> Indian City Globally as "Fastest Growing Residential Market in Quarter-2" while Manila has topped the list- **Knight Frank Prime Global Cities Index.**
- Foreign Bank which has invested about Rs.15, 000 Crore in ICICI Bank in its Fund-raising Plan- **People's Bank of China.**
- After Vivo Pullout, "Dream-11" has bagged- **IPL Title Sponsorship.**
- Clients who can trade in US Market- **Axis Securities Clients.**
- Norway's \$1.15 Trillion Sovereign Wealth Fund posted a Loss

of \$21.27 Billion in first half of 2020- **World's Largest Sovereign Wealth Fund.**

- Ashok Lavasa, Election Commissioner who has resigned to join as- **Vice-President of Asian Development Bank.**
- Bank which has approved a loan of \$1 Billion to support construction of the Delhi-Meerut Regional Rapid Transit System- **Asian Development Bank.**
- Autonomous Agency which is to be set up by the Govt. to conduct Common Eligibility Test eliminating the need to multiple tests- **National Recruitment Agency.**
- Subsidiary which has been launched by NPCI to promote UPI, RuPay Overseas- **NPCI International Payments Ltd. (NIPL)**
- Index in which Indore has emerged as the "Cleanest city in the Country" for the 4<sup>th</sup> time in a row- **Swachh Survekshan 2020.**
- Bureau which is to be given Statutory Power by the Govt. to become "One-Stop Repository" for all labour-related data- **Labour Bureau.**
- In order to counter bogus entities, the Govt. has introduced Aadhar Number Authentication for getting registrations under-**GST.**
- Scheme under which total number of farmers covered dropped at 32% as many states opt out of the Scheme- **PM Fasal Bima Yojana.**
- CBDT made it mandatory for personal hearing for GST-related Appeals via- **Video Conferencing.**
- Brokerage Firm Zerodha has been selected as "Startup of the Year" and got- **Economic Times Startup Award 2020.**
- Importers for 24 Major Crops to declare that products are "Genetically-modified" (GM) and also have "Non-GM origin" from January 1, 2021- **Declaration Mandatory.**





## MOCK-TEST PAPER

### Questions on RBI /Govt. Policy

**01** As per the normal time norms, the working capital limits should be renewed by banks, at least once in a period of \_\_\_\_

- a 2 years
- b 1 year
- c 6 months
- d 3 month

**02** Banks can prescribe \_\_\_\_ for review/renewal of borrower limits so that lower rated borrowers whose financials show signs of problems are subjected to renewal control more frequently.

- a fixed time schedules
- b suitable time schedules
- c differential time schedules
- d all the above

**03** If working capital limits are not renewed on time, the account shall be treated NPA after \_\_\_\_ from due date of renewal.

- a 90 days
- b 180 days
- c 270 days
- d 360 days

**04** For consideration of sanction of loans to MSMEs, submission of \_\_\_\_\_ is a mandatory requirement.

- a Udyam Registration Certificate
- b MSME Registration Certificate
- c Certificate of incorporation
- d certificate of commencement of business

**05** For the purpose of classification as an MSME, which of the following should be considered as

value of plant and machinery or equipment?

- a original cost
- b purchase cost
- c market cost
- d written down value

**06** A core investment company is not required to be registered with RBI when its assets size is :

- a less than Rs.10 cr
- b Rs.10 cr or less
- c Rs.100 cr or less
- d less than Rs.100 cr

**07** Urban Coop Banks with total assets of \_\_\_\_ as on 31.03.20, are required to implement system based asset classification wef 30.06.21

- a Rs.1000 cr or more
- b Rs.2000 cr or more
- c Rs.5000 cr or more
- d Rs.10000 cr or more

**08** Urban Coop Banks with total assets of \_\_\_\_ as on 31.03.20, are required to implement system based asset classification wef 30.09.21

- a Rs.1000 cr or more but less than Rs.2000 cr
- b Rs.2000 cr or more but less than Rs.3000 cr
- c Rs.5000 cr or more but less than Rs.10000 cr
- d Rs.10000 cr or more but less than Rs.20000 cr

**09** Banks can allow offline retail payments using cards, wallets, mobile devices with an upper limit of payment transactions of

- 
- a Rs.1000

- b Rs.500
- c Rs.200
- d Rs.100

**10** Banks can allow offline retail payments using cards, wallets, mobile devices with the condition that total limit for offline transactions on an instrument shall be Rs.\_\_\_\_, at any point of time.

- a Rs.5000
- b Rs.2000
- c Rs.1000
- d Rs.500

**11** Current accounts in banks, as per RBI directions, can be in the form of 1)normal current account 2) collection account 3) escrow account

- a only 1
- b 1 and 2 only
- c 1 and 3 only
- d 1, 2 and 3 all

**12** No bank shall open current accounts for customers who have availed credit facilities in the form of \_\_\_\_\_ from the banking system.

- a term loans
- b demand loans
- c cash credit or overdraft
- d letter of credit

**13** Where a bank's exposure to a borrower is less than \_\_\_\_ per cent of the exposure of the banking system to that borrower, while credits are freely permitted, debits to the CC/OD account can only be for credit to the CC/OD account of that borrower with a bank that has

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- \_\_\_ per cent or more of the exposure of the banking system to that borrower.
- 20%, 10%
  - 15%, 10%
  - 12.5%, 12.5%
  - 10%, 10%
- 14** Banks with exposure to the borrower of less than \_\_\_ per cent of the exposure of the banking system can offer working capital demand loan (WCDL) / working capital term loan (WCTL) facility to the borrower.
- 1%                      b                      5%
  - 7.5%                    d                      10%
- 15** In case of borrowers where exposure of the banking system is \_\_\_ or more, banks shall be required to put in place an escrow mechanism.
- 100 cr or more
  - 50 cr or more
  - 20 cr or more
  - 10 cr or more
- 16** In case of borrowers where exposure of the banking system is \_\_\_\_, there is no restriction on opening of current accounts by the lending banks. However, non-lending banks may open only collection accounts
- 5 cr or above but < Rs.50 cr
  - 5 cr or above but < Rs.25 cr
  - 10 cr or above but < Rs.50 cr
  - 10 cr or above but < Rs.25 cr
- 17** In case of borrowers where exposure of the banking system is less than \_\_\_\_, banks may open current accounts subject to obtaining an undertaking from such customers:
- 10 cr or more
  - 5 cr or more
- 2 cr or more
  - 1 cr or more
- 18** RBI increased the permissible loan to value ratio (LTV) for loans against pledge of gold ornaments and jewellery for non-agricultural purposes from \_\_\_ per cent to \_\_\_ per cent.
- 75 per cent to 90 per cent
  - 75 per cent to 85 per cent
  - 75 per cent to 80 per cent
  - 60 per cent to 75 per cent
- Recalled Questions**
- 19** On rent payment, TDS is to be deducted when the amount of total payment in a financial year:
- is Rs.180000 or more
  - is more than Rs.240000
  - is Rs.120000 or more
  - is more than Rs.120000
- 20** What is not true of the following in connection with the payment to DICGC for deposit insurance:
- it is payable half yearly
  - premium is 10 paise p.a. for Rs.100 of deposit
  - insurance is obtained on mandatory basis
  - deposits of govt. departments are not to be got insured
  - max eligible amount of deposit for insurance is restricted to Rs.1 lac.
- 21** When the no. of directors in public limited company is more than \_\_\_\_, shareholders' approval is required:
- 8
  - 10
  - 12
  - 15
- 22** Interest in agriculture advances is to be charged on:
- monthly basis
  - quarterly basis
  - half-yearly basis
  - yearly basis
- 23** The quarterly return on Form 26Q, of TDS is to be submitted
- any of the above as per discretion of the bank
  - within 31 days, but for March by May 31
  - within 15 days, but for March by May 31
  - within 30 days, but for March by May 15
  - within 30 days, but for March by May 31
- 24** If the account number, to which an amount is to be credited, has been conveyed incorrectly in an RTGS transaction, who will be responsible:
- customer, if he has conveyed the incorrect details
  - customer, irrespective of the fact whether he has conveyed the correct details or not, if indemnity has been obtained
  - concerned bank in all circumstances
  - the settlement authority
- 25** An administrator is:
- A person appointed by court, when a person dies without a will.
  - A person appointed by share holders at the time of winding up a Company
  - A person appointed at the time of insolvency of a firm
  - a and b
- 26** In a trust, one of the trustees who is singly authorised to operate the account has been declared insolvent. Your branch receives a cheque drawn by him for payment.
- You can return the cheque

- b You can pay the cheque  
 c You can pay if other trustees confirm it  
 d a and b

**27** Which of the following qualifies to be the business of financial services as per RBI guidelines under Banking Regulation Act 1949:

- a business of credit information companies  
 b operations of a depository under Depositories Act  
 c business of a credit rating agency  
 d all the above

**28** Which of the following falls in the category of Non-bank financial company: (a) asset finance company (b) investment company (c) loan company (d) infrastructure finance company (e) core investment company (f) infrastructure debt fund NBFC (g) NBFC-micro finance institution:

- a a to g all  
 b a to e only  
 c a to d only  
 d a, c, d, e and f only

**29** What is max limit on short sale in respect of liquid securities?

- a 1% of the total outstanding stock of each security, or, Rs.500 crore, whichever is higher.  
 b 2% of the total outstanding stock of each security, or, Rs.500 crore, whichever is higher.  
 c 1% of the total outstanding stock of each security, or, Rs.1000 crore, whichever is higher.  
 d 2% of the total outstanding stock of each security, or, Rs.1000 crore, whichever is higher.

**30** When a bank grants a loan to a borrower on the basis of

hypothecation of the assets, with whom does the possession and ownership remain?

- a possession with borrower & ownership with bank  
 b possession with bank and ownership with borrower  
 c both with bank  
 d both with borrower

**31** On the information that the draft has been lost, a duplicate has been issued after taking indemnity bond. The original and duplicate are presented for payment through clearing, by two different banks on the same day. Both the drafts have been branded with the stamp payee's account credited. The bank:

- a Will pay the duplicate  
 b Will pay the original  
 c Will return both  
 d both will have to be paid

**32** According to Banking Companies Nomination Rules 1985, nomination in favour of a non-resident person:

- a Is allowed with RBI permission  
 b Is not allowed  
 c Is allowed.  
 d a and c

**33** A usance bill of exchange is presented by the payee to its drawee Mr. Narayan Dutt who accepts the same. It is endorsed by the payee Mr. Sarwan Lal to Mr. Ramesh Kumar, who is a handicap. Looking into this fact, Mr. Sarwan Lal also writes that in case of dishonour, he may not be given notice and would continue to be liable. Which of the following kinds of endorsement has been made by Mr. Sarwan Lal:

- a Conditional endorsement

- b Facultative endorsement  
 c Sans recourse endorsement  
 d Partial endorsement  
 e Blank endorsement

**34** What is the minimum capital requirement under Basel 3 as per Bank for International Settlement, prescription:

- a 6%                      b 8%  
 c 9%                      d 10%

**35** In case of currency chest transactions, for delays, penal interest charged by RBI is:

- a 2% over BPLR of the bank  
 b 2% over the prevailing Bank Rate  
 c 3% over the bank rate  
 d 6% flat

**36** A customer of a current account has deposited two cheques worth Rs.15000 which have been sent in clearing and have been credited, but the time for returning of the clearing has yet not expired. Meanwhile a garnishee order is received in the account:

- a order will be applicable on the amount of cheques.  
 b order will not be applicable on the amount of cheques  
 c order will be applied after seeking confirmation from paying banker  
 d order will become applicable from next day if cheques have not been returned unpaid

#### Answers

01 b	02 c	03 b	04 a	05 d
06 d	07 b	08 b	09 c	10 b
11 d	12 c	13 d	14 d	15 b
16 a	17 b	18 a	19 b	20 e
21 d	22 d	23 a	24 a	25 a
26 b	27 d	28 a	29 b	30 d
31 a	32 c	33 b	34 b	35 b
36 b				

## Pilot Scheme for Offline Retail Payments using Cards / Mobiles / Devices

To encourage technological innovations that enable offline digital transactions, RBI informed on 06.08.20, that it shall permit a pilot scheme to be conducted for a limited period.

Under the pilot scheme, authorised Payment System Operators (PSOs) – banks and non-banks – will be able to provide offline payment solutions using cards, wallets or mobile devices for remote or proximity payments. Other entities having innovative solutions shall tie-up with the authorised PSOs.

The pilot scheme shall be undertaken till March 31, 2021 only. The main features are:

Under the pilot scheme, payment system operators (PSO) – banks and non-banks – may offer digital payments offline, i.e., payments that do not require internet connectivity to take effect. The payment solutions provided to users shall be subject to following terms and conditions :-

- a. Payments could be made using cards, wallets or mobile devices or through any other channel.
- b. Payments may be made in remote or proximity mode.
- c. Payment transactions can be offered without any Additional Factor of Authentication (AFA).
- d. The upper limit of a payment transaction shall be Rs.200.
- e. The total limit for offline transactions on an instrument shall be Rs.2,000, at any point of time. Resetting of the limit shall be allowed in online mode with AFA.
- f. The PSO shall send real time transaction alerts to users as soon as transaction details are received.
- g. Contactless payments shall adhere to EMV standards, as hitherto.
- h. Payment transactions in offline mode without AFA shall be at the choice of the user.
- i. The acquirer shall incur all liabilities arising out of technical or security issues at merchant's end.
- j. These payments shall be covered by the provisions of the limited customer liability as per RBI circulars dated 6.7.2017 and 4.1.2019
- k. Before introducing operations under the scheme, PSOs shall inform Reserve Bank the detailed specifications of the payment solutions they would offer. They may, however, launch operations without waiting for any approval from the Reserve Bank.
- l. Entities other than PSOs having innovative solutions may tie-up with PSOs to offer their products.
- m. Reserve Bank retains the right to advise a PSO to stop transactions and exit the pilot in the event of non-compliance of these conditions.

## DATA COLUMN

### Business of Banks

(Rs.in cr)	Mar 31 '19	14.08.20
Aggregate deposits	10805150	14080421
Cash in hand/RBI	570490	524371
Investments	3043660	4315067
Bank Credit:	7881890	10219729
-Food	53930	73082
-Non-Food	7827960	10146647
Cash-Deposit Ratio	5.27	3.75
Investment-Deposit	28.14	28.33
Credit-Deposit	72.95	75.39

### Money Stock

(Rs.in cr)	31.03.20	14.08.20
M3 (Out of which)	16799930	17561311
(a) Currency with public	2349715	2593699
(b) Demand deposits-Banks	1737692	1584300
(c) Time Deposits - Banks	12674016	13343769
(d) Other deposits with RBI	38507	39543

### Sources of Money Supply

(a) Net Bank credit to Govt	4906583	5534611
(b) Bank credit to Comrcl sectr	11038644	10879398
(c) Net Forex assets of Banks	3798902	4204344

### Important Banking Indicators

Statutory Liquidity Ratio	18.00%	(10.04.2020)
Cash Reserve Ratio	03.00%	(28.03.2020)
Overnight LAF (of NDTL)	0.25%	
14days term Repo(of NDTL)	0.75%	
Reverse Repo Rate	03.35%	(22.05.2020)
Repo Rate	04.00%	(22.05.2020)
MSF Rate	04.25%	(22.05.2020)
Bank Rate	04.25%	(22.05.2020)

### Small Savings Interest Rates

PPF	7.1%	(01.04.2020)
5-year NSC	6.8%	(01.04.2020)
Sukanya Smridhi	7.6%	(01.04.2020)
Senior Citizen Saving	7.4%	(01.04.2020)

### Capital & Money Market Indicators

Parameter	end-Jul19	end-Aug20
Dollar-spot TT (Rs.)	69.95	73.14
BSE - Sensex (points)	37018	38357
NSE - Nifty(S&P CNX)	10980	11334
Foreign reserves (Million \$)	430376	541431
Gold /Oz in USD)	1424	1964

## INDIAN ECONOMY-IMPORTANT PARAMETERS

Growth estimate for FY 2020-21	: 6-6.5%
GDP@constant mkt prices (cr) 2019-20	: 20442233
GVA@2011-12 basic prices (cr) 2018-19	: 12906936
GDP projected by Govt. for 2020-21	: 22489420
Fiscal Deficit Target (2020-21) 3.5% of GDP	: 796337 cr
Revenue Deficit Target (2020-21) 2.7% of GDP	: 609219 cr
Wholesale Price Index	: 2.7%
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- Jan20:Export \$ 265.3 bn Imports	: 398.5 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

DATE OF DESPATCH - Sept 7, 2020