

ALL THE VERY BEST FOR YOUR EXAMS

**IMPORTANT UPDATES IN
BANKING & FINANCE INDUSTRY
DURING LAST 1 YEAR**

adda247

Though we had taken enough care to go through the contents provided here, we shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents. We advise everyone to update yourself with the latest information through RBI website and other authenticated sources.

Important Updates in Banking & Finance Industry during last 1 year

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S No	Updates in	Existing	Amended	wef
1	Resolution Framework - 2.0: Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) – Revision in the threshold for aggregate exposure	25 Cr	50 Cr	04.06.2021
2	The maximum amount outstanding in respect of full-KYC PPIs (Prepaid payment instruments)	1 lakh	2 lakhs	19.05.2021
3	The cash withdrawal limit from Points of Sale (PoS) terminals using debit cards and open system prepaid cards across all locations (Tier 1 to 6 centres) (*Per Transaction) (**Monthly)	-- *2000 **10000	*2000 **10000	19.05.2021
4	Scheduled Commercial Banks were allowed to deduct the amount equivalent to credit disbursed to new MSME borrowers from their Net Demand and Time Liabilities (NDTL) for calculation of the Cash Reserve Ratio (CRR) up to Rs. 25 lakh per borrower for the credit disbursed up to the fortnight ending	01.10.21	31.12.21	05.05.2021
5	Periodic Updation of KYC - in respect of the customer accounts where periodic updation of KYC is due and pending as on date, no restrictions on operations of such account shall be imposed till	--	31.12.21	05.05.2021
6	Enhancement of limit of maximum balance per customer at end of the day – Payments Banks (PBs)	1 lakh	2 lakhs	08.04.2021
7	Unutilised ECB proceeds drawn down on or before 01.03.2020 can be parked in term deposits with AD Category-I banks in India prospectively up to	01.03.21	01.03.22	07.04.2021

Important Updates in Banking & Finance Industry during last 1 year

8	Priority Sector Lending (PSL) – Increase in limits for bank lending against Negotiable Warehouse Receipts (NWRs) / electronic Negotiable Warehouse Receipts (eNWRs)	50 lakhs	75 lakhs	07.04.2021
9	The PSL limit backed by the warehouse receipts other than NWR/eNWR	50 lakhs	50 lakhs	07.04.2021
10	Banks shall have to ensure that all their branches participate in image-based CTS under respective grids by		30.09.21	
11	Introduction of Legal Entity Identifier for Large Value Transactions in Centralised Payment Systems	--	50 Cr & above	01.04.2021
12	Processing of e-mandates for recurring transactions	2000	5000	01.01.2021
13	Regional Rural Banks : Access to Call/Notice/Term Money Market	No	Yes	04.12.2020
14	Card transactions in Contactless mode - Relaxation in requirement of Additional Factor of Authentication	2000	5000	01.01.2021
15	24x7 Availability of Real Time Gross Settlement (RTGS) System	--	24x7	14.12.2020
16	Positive Pay System for Cheque Truncation System	--	>5 Lakhs	01.01.2021
17	SLR holdings in HTM category in per cent of NDTL as on the last Friday of the second preceding fortnight (till)	22	21 20 19.5	30.06.2023 30.06.2021 31.12.2021
18	The existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAMs) of the MSMEs obtained till June 30, 2020 shall remain valid till December 31, 2021	--	--	Valid till 31.12.2021
19	Bharat Bill Payment System – Addition of Biller Category (mobile prepaid recharges)			on or before 31.08.2021

Important Updates in Banking & Finance Industry during last 1 year

20	Usage of Automated Teller Machines / Cash Recycler Machines – Review of Interchange Fee and Customer Charges Per transaction for financial transactions Per transaction for non-financial transactions	15 5	17 6	01.08.2021 01.08.2021
21	Preservation of CCTV recordings	08.11.2016 to 30.12.2016		
22	Individual Housing Loans – Rationalisation of Risk Weights			
23	Conduct of Government Business by Agency Banks - Payment of Agency Commission			
24	Introduction of Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) for Regional Rural Banks (RRBs)			
25	Authorisation of entities for operating a Payment System under the Payment and Settlement Systems Act, 2007 (PSS Act) – Introduction of Cooling Period			
26	Digital Payment Transactions – Streamlining QR Code infrastructure			
27	Inclusion in/exclusion from the Second Schedule to the Reserve Bank of India Act, 1934 - Regional Rural Banks (RRBs)			
27	System-based asset classification - UCBS			



BILINGUAL

BANK PROMOTION EXAM 2022
MASTER REVISION
CRASH COURSE

For BOB, PNB, UCO, CANARA, P&SB,
CBI & Other Banks

Starts Jan 10, 2022 7 PM to 8:30 PM



BILINGUAL

JAIB 2022
NEW FOUNDATION BATCH

PPB + LRB + AFB

2022 MAY-JUNE EXAM

Starts Jan 31, 2022 7:30 PM to 10:30 PM

Important Updates in Banking & Finance Industry during last 1 year

Individual Housing Loans – Rationalisation of Risk Weights

The capital charge for claims secured by residential property falling under the category of individual housing loans is assigned differential risk weights based on the size of the loan as well as the loan to value ratio (LTV). As a countercyclical measure, it has been decided to rationalise the risk weights, irrespective of the amount.

The risk weights for all new housing loans to be sanctioned on or after the date of this circular and upto March 31, 2022 shall be as under:

LTV Ratio (%)	Risk Weight (%)
≤ 80	35
> 80 and ≤ 90	50

The requirement of standard asset provision of 0.25% shall continue to apply on all such loans.

Conduct of Government Business by Agency Banks - Payment of Agency Commission

Sr. No.	Type of Transaction	Unit	Revised Rate
a.	(i) Receipts - Physical mode	Per transaction	Rs. 40/-
	(ii) Receipts - e-mode	Per transaction	Rs. 9/-
b.	Pension Payments	Per transaction	Rs. 75/-
c.	Payments other than Pension	Per Rs. 100 turnover	6.5 paise per Rs. 100

Introduction of Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) for Regional Rural Banks (RRBs)

In order to provide an additional avenue for liquidity management to Regional Rural Banks (RRBs), it has been decided that Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) will be extended to Scheduled RRBs meeting the following criteria:

- Implemented Core Banking Solution (CBS)
- There is a minimum CRAR of nine per cent and
- Fully compliant with the terms and conditions for availing LAF and MSF issued by Financial Markets Operations Department (FMOD), Reserve Bank of India.

2. The names of RRBs which meet the eligibility norms to participate in LAF and MSF (Positive List) and of those RRBs found ineligible (Negative List) will be intimated to the banks concerned. The eligibility status of the banks will be reviewed on an ongoing basis.

Important Updates in Banking & Finance Industry during last 1 year

Authorisation of entities for operating a Payment System under the Payment and Settlement Systems Act, 2007 (PSS Act) – Introduction of Cooling Period

To inculcate discipline and encourage submission of applications by serious players as also for effective utilisation of regulatory resources, it has been decided to introduce the concept of Cooling Period in the following situations –

The Cooling Period shall be for one year from the date of revocation / non-renewal / acceptance of voluntary surrender / rejection of application, as the case may be. In respect of entities whose application for authorisation is returned for any reason by RBI, condition of Cooling Period shall be invoked after giving the entity an additional opportunity to submit the application.

During the Cooling Period, entities shall be prohibited from submission of applications for operating any payment system under the PSS Act.

Digital Payment Transactions – Streamlining QR Code infrastructure

Reserve Bank had constituted a Committee (Chairperson : Prof Deepak Phatak) to review the current system of Quick Response (QR) Codes in India and suggest measures for moving towards interoperable QR Codes. The report of the Committee containing various recommendations was placed on the Reserve Bank website for public comments and feedback.

2. After examining the recommendations and the feedback received, the following has been decided:

- The two interoperable QR codes in existence – UPI QR and Bharat QR – shall continue as at present.
- Payment System Operators (PSOs) that use proprietary QR codes shall shift to one or more interoperable QR codes; the process of migration shall be completed by March 31, 2022.
- No new proprietary QR codes shall henceforth be launched by any PSO for any payment transaction.
- RBI shall continue a consultative process to standardise and improve interoperable QR codes, to enable beneficial features identified by the Phatak Committee.
- PSOs may take initiative to increase awareness about interoperable QR codes.



Important Updates in Banking & Finance Industry during last 1 year

Inclusion in/exclusion from the Second Schedule to the Reserve Bank of India Act, 1934 - Regional Rural Banks (RRBs)

In exercise of the powers conferred under clauses (a) and (b) of sub-section (6) of section 42 of the Reserve Bank of India Act, 1934 (hereinafter referred to as "the RBI Act"), the Reserve Bank of India, hereby, directs the exclusion of the Regional Rural Banks indicated below at column no. [A] from the second schedule of the RBI Act and the inclusion of the Regional Rural Banks indicated below at column no. [B] in the second schedule of the RBI Act.

Name of the erstwhile Regional Rural Banks [A]	Names of new Regional Rural Banks [B]
Gramin Bank of Aryavart	Aryavart Bank, Lucknow, Uttar Pradesh
Allahabad UP Gramin Bank	
Bihar Gramin Bank	Dakshin Bihar Gramin Bank, Patna, Bihar
Madhya Bihar Gramin Bank	
Vananchal Gramin Bank	Jharkhand Rajya Gramin Bank, Ranchi, Jharkhand
Jharkhand Gramin Bank	
Pragathi Krishna Gramin Bank	Karnataka Gramin Bank, Ballari, Karnataka
Kaveri Grameena Bank	
Narmada Jhabua Gramin Bank	Madhya Pradesh Gramin Bank, Indore, Madhya Pradesh
Central Madhya Pradesh Gramin Bank	
Sarva U.P. Gramin Bank	Prathama U.P. Gramin Bank, Moradabad, Uttar Pradesh
Prathama Bank	
Pandyan Grama Bank	Tamil Nadu Grama Bank, Salem, Tamil Nadu
Pallavan Grama Bank	

System-based asset classification - UCBs

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

UCBs having total assets of ₹1000 crore or above but less than ₹2000 crore as on March 31, 2020 and having self-assessed themselves as being under Level III or Level IV in terms of the circular DoS.CO/CSITE/BC.4083/31.01.052/2019-20 dated December 31, 2019 on Comprehensive Cyber Security Framework for UCBs shall implement system-based asset classification with effect from September 30, 2021.

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.

