ANNEX

CHRONOLOGY OF MAJOR POLICY ANNOUNCEMENTS: JULY 2014 TO JUNE 2015*

Date of Announcement	Policy Initiative
Monetary Policy Department	
August 5, 2014	SLR was reduced by 50 bps to 22.0 per cent of NDTL effective August 9, 2014.
September 30	ECR liquidity was reduced from 32 per cent of eligible export credit outstanding to 15 per cent effective October 10, 2014.
January 15, 2015	Policy repo rate was reduced by 25 bps to 7.75 per cent.
February 3	SLR was reduced by 50 bps to 21.5 per cent of NDTL effective February 7, 2015. ECR facility was replaced by the system level liquidity effective February 7, 2015.
February 20	The Government and the Reserve Bank entered into an agreement on the Monetary Policy framework introducing flexible inflation targeting.
March 4	Policy repo rate was reduced by 25 bps to 7.5 per cent.
June 2	Policy repo rate was reduced by 25 bps to 7.25 per cent.
Financial Inclusion and Development Department	
August 14, 2014	The operational guidelines of the Self Employment Programme (SEP) component of National Urban Livelihoods Mission (NULM) were issued in line with restructuring of the existing Swarna Jayanti Shahari Rozgar Yojana (SJSRY) as NULM.
November 13	Guidelines were issued on financing of 0.5 million Joint Liability Groups of '*Bhoomi Heen Kisan*' through NABARD.
December 3	Instructions on credit facilities to minority communities were made applicable to the Jain community in view of its notification as minority community under Section 2(c) of the National Commission for Minorities (NCM) Act, 1992.
December 9	Revised guidelines were issued for 2014-15 on Interest Subvention Scheme under the National Rural Livelihoods Mission (NRLM).
December 10	Classification of priority sector lending shortfall and interest payable to banks falling in such categories on deposits placed by them in the Rural Infrastructure Development Fund (RIDF) and other funds, were restructured. The revised deposit rates were linked to shortfall in overall priority sector lending targets.
January 2, 2015	SLBC convenor banks and lead banks were advised to complete the process of providing banking services to unbanked villages with population below 2,000 by August 14, 2015 in line with PMJDY instead of March 2016 as prescribed earlier.
January 28	Banks were advised to dispense with obtaining 'No Due Certificate' from individual borrowers (including SHGs and JLGs) for all types of loans, including loans under Government sponsored schemes, irrespective of the amount involved unless the Government sponsored scheme itself provides for obtention of 'No Due Certificate'.
February 25	Overdrafts extended by banks up to ₹ 5,000 in PMJDY accounts were made eligible for classification under priority sector advances ('others' category) as also weaker sections, provided the borrower's household annual income did not exceed ₹ 60,000 for rural areas and ₹ 1,20,000 for non-rural areas.
March 13	Priority sector loans to persons with disabilities were made eligible for classification under the weaker sections category.

*: Indicative in nature and details available on the Reserve Bank's website.

Date of Announcement	Policy Initiative
March 25	Revised guidelines were issued for relief measures by banks in areas affected by natural calamities.
April 23	Based on the recommendations of the internal working group, priority sector lending guidelines were revised.
May 21	Reporting format for progress under the SHG-Bank Linkage programme was revised with a view to capturing data pertaining to financing of SHGs under NRLM and NULM separately.
Financial Markets Regulation Department	
July 23, 2014	FPI investment in G-secs was restricted to securities with a minimum residual maturity of three years.
September 8	FPIs were permitted to hedge currency risks on coupon receipts from debt securities in India falling due in the next 12 months.
September 30	Short sale limit for liquid G-secs was increased to 0.75 per cent of the outstanding stock or ₹ 600 crore, whichever is lower.
	Initiation of short sale was permitted in the OTC market besides NDS-OM as hitherto.
September 30	Limit for importers to book forward contracts under the past performance route was increased from 50 per cent of the eligible limit to 100 per cent (same as exporters).
December 19	Requirement of exchange of physical confirmation by counterparties of trades matched on F-TRAC was removed.
January 14, 2015	Requirement of statutory auditor’s quarterly certificate for hedging under the past performance route was replaced with a declaration signed by the CFO and CS of the customer.
February 3	Bonds issued by multilateral financial institutions in India were permitted as eligible underlying for repo in corporate debt.
February 3	FPI investment in corporate debt was restricted to instruments with a minimum residual maturity of three years. FPI investment in liquid and money market mutual fund schemes was disallowed.
February 5	Scheduled commercial banks, PDs, mutual funds and insurance companies were permitted to undertake re-repo of G-secs acquired through reverse repo.
February 13	Resident entities were permitted to rebook FCY-INR swap contracts after cancellation only after the expiry of the tenor of the cancelled swap.
March 20	T+2 settlement was permitted for outright secondary market transactions in G-secs by FPIs and reported on NDS-OM.
March 31	Position limits for participation by domestic investors and FPIs in the ETCD market, without the requirement of establishing underlying exposure, were increased to US$ 15 million per exchange for USD-INR and US$ 5 million for EUR-INR, GBP-INR and JPY-INR pairs, all put together. In the ETCD market, the requirement of the statutory auditor’s certificate was replaced with a signed undertaking from CFO or the senior most functionary for a company's finance and accounts and the Company Secretary.
May 14	NBFCs registered with RBI, including government companies as defined in Sub-section (45) of Section 2 of the Companies Act, 2013 which adhere to the prudential norms prescribed for NBFCs were permitted to undertake ready forward contracts in corporate debt securities.
May 21	For hedging of rupee exchange risk, overseas lenders of INR denominated external commercial borrowings (ECB) were permitted to swap with their overseas bank which shall enter into a back-to-back swap with any AD category-I bank in India.

Date of Announcement	Policy Initiative
June 12	Cash settled interest rate futures (IRF) were permitted on G-secs with a residual maturity of 4-8 years and 11-15 years. Residual maturity of underlying security for 10-year cash settled IRF was relaxed to 8-11 years.
June 25	AD category-I banks were permitted to borrow from specified international/multilateral financial institutions, within the permissible limits, without a case by case approval from the Reserve Bank.
Financial Markets Operations Department	
August 7, 2014	The methodology for computation and dissemination of the rupee reference rate was revised effective September 1, 2014.
August 22	The framework for liquidity management was revised effective September 5, 2014. The revised system of conducting 14-day variable rate term repos four times during a reporting fortnight, *i.e.*, on every Tuesday and Friday, between 11.00-11.30 a.m. for an amount equivalent to one-fourth of 0.75 per cent of system-wide NDTL in each auction, was introduced.
February 20, 2015	The reverse repo and marginal standing facility (MSF) operations were introduced on all Saturdays effective February 21, 2015.
Foreign Exchange Department	
July 3, 2014	Limit on financial commitments by an Indian party for overseas direct investments (ODIs) was restored to 400 per cent of its net worth, subject to a maximum of US$ 1 billion in a financial year under the automatic route.
July 7	Clean credit was permitted for a period not exceeding 180 days from the date of shipment.
July 14	Partly paid equity shares and warrants issued by an Indian company were made eligible instruments for FDI and FPI by FIIs/RFPIs.
July 15	Issue and transfer of shares including compulsorily convertible preference shares and debentures were allowed at a price worked out as per SEBI guidelines in case of listed companies and any internationally accepted pricing methodology in case of unlisted companies on an arm's length basis.
July 17	Resident individuals were permitted to make remittance under LRS for purchasing immovable property abroad.
July 21	e-KYC service launched by the Unique Identification Authority of India (UIDAI) was accepted as a valid process for KYC verification under the Prevention of Money Laundering (Maintenance of Records) Rules, 2005.
July 22	The system of considering project/deferred service export proposals exceeding US$ 100 million by a Working Group was dispensed with and AD banks/ Exim Bank were permitted to give post-award approval without any monetary limit and also permit subsequent changes in the terms of approval within the relevant FEMA guidelines/regulations
July 23	Investment limits in G-secs for FIIs/QFIs/FPIs was enhanced by US$ 5 billion by correspondingly reducing the amount available to long term investors from US$ 10 billion to US$ 5 billion, within the overall limit of US$ 30 billion.
August 27	ADs were allowed to refinance existing ECB by raising fresh ECB at lower all-in-cost even where the average maturity period of the fresh ECB was more than the residual maturity of the existing ECB.
August 28	Eligible investors were permitted to acquire G-secs in any manner as per the prevalent/ approved market practice.

Date of Announcement	Policy Initiative
September 3	Eligible borrowers were allowed to raise rupee denominated ECBs from all other recognised ECB lenders over and above foreign equity holders allowed earlier.
September 8	FPIs were permitted to hedge coupon receipts out of debt securities in India falling due in the next 12 months provided hedge contracts should not be eligible for rebooking on cancellation.
September 17	Indian companies were permitted to issue equity shares against any funds payable by them, remittances of which did not require prior permission of the government or the Reserve Bank.
September 30	Importers were allowed to book forward contracts, under the past performance route, up to 100 per cent of the eligible limit.
November 20	Time of realisation and repatriation of export proceeds for all categories of exporters was fixed at nine months.
November 21	ADs were permitted to allow eligible ECB borrowers to park ECB proceeds in term deposits with AD category-I banks in India for a maximum period of six months pending utilisation for permitted end uses.
November 21	ADs and full-fledged money changers were allowed to release full basic travel quota (BTQ) entitlement in cash or up to the cash limit specified by the Haj Committee of India to Haj/ Umrah pilgrims.
November 28	The '20:80 scheme' which stipulated that 20 per cent of the gold imported had to be exported was withdrawn.
December 2	The stipulation of an auditor's certificate for making remittances of assets abroad was dispensed with and ADs were permitted to make remittances on payment of applicable taxes.
December 8	FDI up to 49 per cent under the government route was permitted in the defence sector.
December 8	FDI in railway infrastructure was permitted up to 100 per cent under the automatic route.
December 9	An Alternative Investment Fund registered with SEBI was allowed to invest overseas on the lines of domestic venture capital funds.
December 17	Multilateral organisations like the SAARC Development Fund (SDF), of which India is a member were allowed to open accounts with AD banks in India, without the prior approval of the Reserve Bank.
December 29	Designated AD banks were permitted to create charge/ pledge on the shares of the JV/ WOS/ SDS of an Indian party in favour of a domestic or overseas lender for securing the funded and/ or non-funded facility to be availed of by the Indian party or by its group companies/ sister concerns/ associate concerns or by any of its JV/ WOS/ SDS.
January 1, 2015	The set of eligible securities for raising ECBs was made more broad-based to include movable assets and financial securities in addition to immovable assets.
January 6	Residents who are subsidiaries of multinational companies were permitted to hedge their foreign currency exposure through permissible derivatives with an AD category-I bank in India on the strength of guarantee of non-resident group entity.
January 22	A new scheme, 'Depository Receipts Scheme, 2014' for investment under ADR/GDR was notified, providing for repeal of extant guidelines for Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993 except to the extent relating to foreign currency convertible bonds.
January 22	Facility for remittance of salaries outside India was made available to employees on deputation to a group company in India and for employees of limited liability partnerships.
January 22	Individuals were permitted to carry to Nepal or Bhutan, currency notes of the Reserve Bank, denominations above ₹100 subject to a limit of ₹25,000.

Date of Announcement	Policy Initiative
January 23	AD banks were authorised to make changes in the amount of ECB, its draw-down, repayment schedules, average maturity period and all-in-cost.
February 12	Requirement of submission in Form A-1 to ADs for making payments towards imports was dispensed with.
February 12	Filing of the following returns was enabled on the e-Biz platform: Advance Remittance Form (ARF) used by companies to report FDI inflow; and FCGPR Form for reporting the issue of instruments to the overseas investor against the above FDI inflow.
March 11	Citizens of Macau and Hong Kong were prohibited from acquiring/ transferring immovable property in India akin to the prohibition for citizens of China.
March 31	A financial institution or a branch of a financial institution set up in IFSC will be treated as a person resident outside India.
April 8	FDI in the insurance sector was allowed up to 49 per cent.
April 30	Goods consigned to the importers of Nepal and Bhutan from third countries under merchant trade from India will qualify as traffic-in-transit if the goods are otherwise compliant with the provisions of the India-Nepal Treaty of Transit and the Indo-Bhutan Treaty of Transit respectively.
May 14	Requirement of declaring export of goods/software in the statutory declaration form (SDF) in case of exports through the Electronic Data Interchange (EDI) ports was dispensed with as the mandatory statutory requirements contained in the SDF were subsumed in the shipping bill format.
May 21	ADs were advised not to insist on form A2 and physical presence of the account holder at the time of closure of FCNR (B) deposits.
May 21	Under the rupee drawing arrangements, the limit of trade transactions was increased to ₹15,00,000 per transaction from ₹5,00,000.
June 1	Limit of remittances under the liberalised remittance scheme (LRS) was increased to an umbrella limit of US$ 2,50,000/- subsuming various limits under Schedule III of the Foreign Exchange Management (Current Account Transaction) Rules, 2000.
June 11	NRIs were permitted to subscribe to chit funds, without limit, on a non-repatriation basis, provided the Registrar of Chits permitted any chit fund accordingly and the subscription was brought in through the normal banking channel, including through an account maintained with a bank in India.
June 18	From the half year ending June 2015, BEF submission will be online and bank-wise.
Department of Banking Regulation	
July 15, 2014	Banks were allowed to extend structured long term project loans with periodic refinancing option to new projects in infrastructure and core industries sectors.
July 15	Banks were allowed to issue long term bonds (minimum 7 years) for financing their infrastructure and affordable housing loans, with exemptions from CRR/SLR and computing of ANBC for priority sector obligations.
July 17	Banks were advised on the list of officially valid documents (OVD) for KYC. Procedure for opening of accounts by low risk customers was also simplified.
July 22	Banks were allowed to decide on the quantum of loans against the pledge of gold jewellery and ornaments for non-agricultural end uses with bullet repayment of principal and interest.
August 7	Banks were allowed to refinance existing project loans, even without a pre-determined agreement with other banks/ FIs, and fix a longer repayment period, and this will not be considered as restructuring in the books of the existing as well as taking over lenders.

Date of Announcement	Policy Initiative
August 14	Where the initial financial closure does not provide for a standby credit facility, banks were allowed to fund cost over-runs without treating the loan as a ‘restructured asset’.
September 1	Banks were advised to clearly delineate the procedure for disposal of loan proposals, with appropriate timelines, and institute a suitable monitoring mechanism for reviewing applications pending beyond the specified period. Banks were also advised to make suitable disclosures on the timelines for conveying credit decisions.
September 1	To facilitate raising of non-equity regulatory capital instruments, certain eligibility criteria for banks’ capital instruments under the Basel III framework were relaxed.
September 4	For streamlining KYC norms, client due diligence measures were further simplified, dispensing with the requirement of ‘positive confirmation’ and physical presence of clients at the time of periodic updation.
September 9	The upper age limit for the MD and CEO and other whole time directors of banks in the private sector was fixed at 70 years with flexibility to individual banks’ boards to prescribe a lower than 70 years retirement age for WTDs, including the MD & CEO, as an internal policy.
September 9	On the guidelines on wilful defaulters, definitions of guarantor, lender and unit were spelt out.
October 16	Guidelines on advanced approaches of operational risk – standardised approach and advanced measurement approach were revised.
October 21	KYC norms were further simplified: ‘low risk’ customers need not furnish fresh KYC documents at the time of periodic updation; self-certification will suffice in case of no change. For non-compliant KYC accounts, after repeated reminders, banks may impose ‘partial freezing’ in a phased manner.
October 21	Timelines were extended for reporting an account having principal or interest overdue for more than 60 days as a special mention account (SMA 2); formation of a joint lenders forum (JLF); and for deciding a corrective action plan and evaluation of the restructuring packages by an Independent Evaluation Committee.
November 3	Final guidelines were issued on monitoring tools for intra-day liquidity management, consistent with the quantitative tools in this regard finalised by the Basel Committee on Banking Supervision (BCBS).
November 20	While levying charges for non-maintenance of minimum balance in savings bank accounts, default in maintenance of minimum balance should be notified to the customer clearly and the penal charges should be directly proportionate to the extent of shortfall observed.
November 27	For financing of infrastructure and affordable housing, the formula to decide the lower of outstanding amount of bonds issued and eligible credit was revised to take into account the outstanding credit on every reporting Friday as against the earlier requirement of outstanding credit on the date of issuance of bonds.
November 28	For computing the liquidity coverage ratio (LCR), G-secs up to another 5 per cent of NDTL within the mandatory SLR were permitted as Level 1 HQLAs. Banks were allowed to avail liquidity facility against such securities under a special facility, ‘Facility to Avail Liquidity for Liquidity Coverage Ratio’.
December 15	The framework of flexible structuring and periodic refinancing of long term project loans was extended to existing loans to infrastructure and core industries projects, in which the aggregate exposure of all institutional lenders exceeded ₹5 billion.
December 22	Non-cooperative borrower was re-defined as one who does not engage constructively with the lender by defaulting in timely repayment of dues while having ability to pay, thwarting lender’s efforts for recovery of dues by not providing necessary information sought, denying access to assets financed/ collateral securities, obstructing sale of securities, *etc*.

Date of Announcement	Policy Initiative
January 8, 2015	The revised framework for leverage ratio (LR) was issued for a parallel run and also for public disclosure of Tier 1 LR. Individual banks will be monitored against an indicative LR of 4.5 per cent, pending finalisation of rules by BCBS by end-2017.
January 15	Comprehensive guidelines were issued on insurance businesses undertaken by banks - insurance business with risk participation/ or distribution as agents/ brokers.
January 15	Banks/ FIs were advised to become members of all four credit information companies (CICs), and the membership and annual fee were also prescribed.
January 19	Banks were allowed to review the base rate methodology after three years instead of five years. Guidelines on spread charged to the customer were also issued to protect the interests of existing borrowers.
February 5	Final guidelines for implementation of Countercyclical Capital Buffer (CCCB) were issued. However, the activation of CCCB will take place when circumstances warrant.
March 5	Banks were permitted to add stamp duty, registration and other documentation charges to the cost of house/dwelling unit for computing the Loan to Value (LTV) ratio where the cost of the house/dwelling unit does not exceed ₹1 million.
March 11	Banks were allowed to reverse the excess provision on sale of NPAs prior to February 26, 2014 to SCs/ RCs to their profit and loss account.
March 13	For opening accounts of proprietorship concerns, banks were allowed the discretion to accept one document as activity proof, subject to carrying out contact point verification to their satisfaction that furnishing two such documents was not possible.
March 20	Banks were advised to disclose details of their holdings of security receipts in a prescribed format in Notes to Accounts of Annual Financial Statements.
March 30	Banks were allowed to utilise up to 50 per cent of the countercyclical provisioning buffer/floating provisions as at end-December 2014, for making specific provisions for NPAs, as per the policy approved by their boards.
March 31	Following the BCBS's Regulatory Consistency Assessment Programme (RCAP), guidelines on Basel III capital adequacy and liquidity regulations were revised.
April 1	A scheme for setting up of IBUs in Gujarat International Finance Tec-City (GIFT) and other IFSCs that may be set up in India was formulated. Under the scheme, IBUs will be established with a minimum capital requirement of US$ 20 million or equivalent in foreign currency.
April 1	In case of fraud, the entire amount due to the bank, or for which the bank is liable is to be provided for over a period not exceeding four quarters.
April 6	When a project is stalled primarily due to inadequacies of the existing promoters followed by a change in the ownership, banks may permit extension of date of commencement of commercial operations (DCCO) up to a further period of two years, in addition to the extension of DCCO permitted under the existing regulations, without adversely affecting the asset classification of loans to such projects.
April 6	Refinance of rupee loans with foreign currency loans (including loans obtained with support from the Indian banking system) or *vice versa* shall be treated as 'restructuring', if such refinancing is extended to a borrower who is under financial difficulty and involves concessions that the bank would otherwise not consider.
April 16	Banks were permitted to offer differential rates of interest on term deposits based on the feature of early withdrawal facility. All terms deposits of individuals of ₹1.5 million and below should necessarily have a premature withdrawal facility.
May 14	Public sector banks were advised to determine the board agenda items and the periodicity thereof, with the approval of their boards, such that there was adequate focus on matters of strategic and financial importance.

Date of Announcement	Policy Initiative
May 21	The dispensation to amortise the loss on sale of NPAs to Securitisation Companies/Reconstruction Companies (SCs/RCs) over a period of two years was extended to assets sold up to March 31, 2016.
May 28	Private sector banks were advised to adhere to the Reserve Bank's instructions of May 14, 2015 on calendar of reviews by PSB boards to the extent applicable.
May 28	Banks were advised to encourage and educate large agricultural borrowers, such as agricultural commodity processors, traders, millers and aggregators to hedge their risks related to agricultural commodity prices.
June 1	Private sector banks were advised to put in place board approved comprehensive compensation policies for the non-executive directors (other than part time chairman), covering compensation in the form of profit related commission, not exceeding ₹1 million per annum for each of the non-executive directors.
June 1	Cross holding of long-term bonds issued for financing infrastructure and affordable housing was allowed amongst banks.
June 8	A Strategic Debt Restructuring (SDR) scheme was issued, allowing conversion of bank loan dues into equity shares at a 'fair price' as per a prescribed pricing formula, which is exempted from the SEBI's related regulations.
June 11	All-India Term Lending and Refinancing Institutions were permitted to reverse the excess provision on sale of NPAs (sold prior to February 26, 2014 to SCs/RCs) to their profit and loss accounts.
June 11	For KYC purposes, banks were advised to accept from low-risk customers additional documents as OVDs for proof of address, such as utility bills, municipal tax receipt, bank account statement and pension payment orders.
Department of Cooperative Bank Regulation	
August 20, 2014	CBS-enabled UCBs having minimum assessed net worth of ₹500 million, satisfying Financially Sound and Well Managed (FSWM) criteria and having track record of regulatory compliance were permitted to open on-site/off-site/mobile ATMs without prior permission of the Reserve Bank.
September 3	The acquiring commercial banks should not incur any loss out of merger/transfer of assets and liabilities of UCBs and big depositors holding in excess of ₹0.1 million each will be required to sacrifice in proportion to the deposit erosion of the target bank.
October 13	Internet banking (view only) facility was permitted to all UCBs which have implemented CBS and migrated to IPv6.
October 13	FSWM criteria for UCBs was revised to include CBS as an additional condition for opening of on-site/off-site/mobile ATMs, approval of annual business plans (ABP), extension of area of operation and shifting of premises.
October 29	Scheduled UCBs which were CBS-enabled with 9 per cent CRAR and fully compliant with the Reserve Bank's eligibility criteria, have been extended Liquidity Adjustment Facility (LAF) with effect from November 28, 2014.
October 29	UCBs were permitted to act as PAN Service Agents (PSAs) by entering into a tie-up with any agency authorised by the Income Tax Department, Government of India.
October 30	The ceiling on quantum of gold loans granted under the Bullet Repayment Scheme by UCBs was raised from ₹0.1 million to ₹0.2 million.
October 30	UCBs were advised to prominently display the full name of the bank as authorised by the Reserve Bank wherever abbreviated/abridged version of the name of UCB is used for logo/ brand building.
November 5	For compliance with the obligations under the PML Amendment Act, 2012, UCBs could also designate a person who holds the position of senior management or equivalent as a 'Designated Director'. However, in no case, the Principal Officer should be nominated as 'Designated Director'.

Date of Announcement	Policy Initiative
November 13	UCBs were advised to review and strengthen controls in cheque presenting/passing and account monitoring.
November 27	The Supervisory Action Framework was revised to facilitate early rectification of the irregularities/ deficiencies of UCBs. The revised criteria envisages restrictions/ corrective action, if any of the trigger points is breached such as the gross NPA ratio exceeding 10 per cent, regulatory capital falling below 9 per cent, credit deposit ratio exceeding 70 per cent or when a UCB is incurring losses for two consecutive years or having accumulated losses.
January 7, 2015	UCBs were advised to constitute a special committee of the board for monitoring and follow up of frauds involving amounts of ₹10 million and above, while the Audit Committee of Board (ACB) may continue to monitor all the cases of frauds in general.
January 8	The quantum of loans granted under the Bullet Repayment Scheme by StCBs/CCBs was raised from ₹0.1 million to ₹0.2 million.
January 29	Cooperative banks were advised to become members of all four Credit Information Companies (CICs) and furnish historical data to them.
April 16	State Cooperative Banks (StCBs) meeting the stipulated norms were permitted to open on-site/off-site/ mobile ATMs as per their need and potential in their area of operation without prior permission of the Reserve Bank.
April 30	CBS-enabled FSWM scheduled UCBs having minimum net-worth of ₹1 billion were allowed to issue credit cards in affiliation with authorised entities.
May 5	CBS-enabled UCBs having capacity to build necessary modules in CBS/ hand-held devices and not operating under directions u/s 35 A of the Banking Regulation Act, 1949 (AACS) were advised to roll out the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) by May 31, 2015 and participate in these schemes.
May 7	StCBs meeting the revised eligibility criteria were permitted to submit their applications in the prescribed format for prior approval for opening of branches/specialised branches/extension counters/ shifting of branches/upgradation of extension counters into full-fledged branches.
May 14	Uniform provisioning norms in respect of all cases of frauds were prescribed. The entire amount due to the bank or for which the bank is liable, is to be provided for over a period not exceeding four quarters. If there is a delay in reporting the fraud to the Reserve Bank beyond the prescribed time limit, the entire provision is required to be made at once.
May 25	CBS-enabled UCBs having capacity to build necessary modules in CBS/ hand-held devices and not operating under directions u/s 35 A of BR Act,1949 (AACS) were permitted to participate in Atal Pension Yojana (APY).
Department of Non-Banking Regulation	
July 10, 2014	Customers required to submit only one documentary proof of address (either current or permanent) while opening a deposit account or while undergoing periodic updation.
July 14	NBFCs were advised not to charge pre-payment penalties on floating rate term loans to individual borrowers.
July 14	It was decided to accept e-KYC service process as a valid process for KYC verification. Also, demographic details and photographs as provided for by the Unique Identification Authority of India (UIDAI) will be treated as an 'OVD' for KYC requirements under Prevention of Money Laundering (Maintenance of Records) Rules, 2005.
July 25	NBFCs were advised to obtain a Global Intermediary Identification Number (GIIN) wherever applicable.
August 1	NBFCs were advised to make available information/documents required by the special investigation team (SIT) as and when required.

Date of Announcement	Policy Initiative
August 5	SCs/RCs were required to invest minimum 15 per cent of Security Receipts (SRs) of each class and each scheme issued by them on an on-going basis till redemption of SRs. Management fees should be calculated and charged as percentage of the minimum net asset value (NAV) specified by a credit rating agency (rather than percentage of outstanding SRs at present) provided the same is not more than the acquisition value of the underlying asset. Asset Reconstruction Companies (ARCs) should also be members of a JLF. ARCs should put up on their websites at quarterly intervals the list of suit filed accounts of wilful defaulters.
August 7	Every SC/RC was required to become a member of at least one CIC and provide to the CIC periodically accurate data / history of the borrowers.
August 8	Amendments were made to the regulatory framework pertaining to Mortgage Guarantee Companies.
August 12	All non-deposit taking NBFCs with asset size of ₹10 billion and above were allowed to participate in the interest rate futures market as trading members.
September 25	NBFCs were allowed to use the ratings of SMERA for the purpose of rating their fixed deposits.
November 10	Threshold for defining systemic significance for NBFCs-ND was revised to ₹5 billion from ₹1 billion. Tighter prudential norms were prescribed for NBFCs-ND-SI and all NBFCs-D.
November 10	Principal business criteria for NBFC-Factors revised to 50:50 from 75:75, in line with the Factoring Regulation Act, 2011.
December 1	Following the Prevention of Money-Laundering (Maintenance of Records) Amendment Rules, 2013, changes were carried out in KYC/AML guidelines.
January 2, 2015	Due diligence process/updation for KYC compliance was revised for various categories of customers, allowing third party verification.
January 16	Revisions of the DCCO and consequential shift in repayment schedules will not be treated as restructuring if the revised DCCO falls within a period of two years and one year from the original DCCO for infrastructure and non-infrastructure projects respectively.
January 19	Flexible structuring and refinancing of fresh term loans were allowed to long term project loans to infrastructure and core industries.
January 28	NBFCs registered as core investment companies, primary dealers and those purely into investment activities without any customer interface were exempt from the requirement of becoming members of CIC.
February 6	Minimum investment grade for long term fixed deposit products provided by Brickwork Ratings India Pvt. Ltd. was advised to be equivalent to FBBB.
February 6	Credit institutions were mandated to become members of all CICs.
February 20	Guidelines on private placements were revised with the issue of non-convertible debentures (NCDs) categorised into two groups: (a) a subscription of ₹20,000 to ₹10 million per investor with a maximum of 200 subscribers in a financial year and the issue being fully secured; and (b) a minimum subscription of ₹10 million and above with no limit on the number of subscribers and the need for the creation of security should be as approved by their boards.
February 24	The following changes in the shareholding pattern of a SC/RC will require the Reserve Bank's prior approval: transfer of shares by which the transferee becomes a sponsor; transfer of shares by which the transfer or ceases to be a sponsor; and an aggregate transfer of 10 per cent or more of the total paid up share capital by a sponsor in five years from the date of certificate of registration.
March 16	NBFCs could also designate a person who holds the position of senior management or equivalent, as a Designated Director.

Date of Announcement	Policy Initiative
April 8	For NBFC-MFIs, limit on the total indebtedness of a borrower, excluding educational/medical expenses was raised to ₹100,000 from ₹50,000. Loans disbursed to a borrower with a rural household annual income not exceeding ₹100,000 or urban and semi-urban household income not exceeding ₹160,000 were included as qualifying assets.
April 10	NBFCs lending against collateral of listed shares were advised to maintain an LTV ratio of 50 per cent, accept only Group 1 securities (as specified by SEBI) as collateral for loans of value more than ₹0.5 million where the lending is done for investment in the capital market.
April 10	Enhanced corporate governance guidelines were made applicable to NBFCs-ND-SIs and deposit taking NBFCs.
April 30	It was decided to dispense with the requirement of prior approval from the Reserve Bank for NBFCs to distribute mutual fund products.
April 30	While opening accounts of sole proprietary firms, NBFCs were given the discretion to accept only one of the prescribed documents as activity proof.
May 7	For restructuring proposals approved / to be approved by BIFR/CDR/JLF, SC/RCs were permitted to accept a resolution period co-terminus with other secured lenders.
May 14	Directions issued to infrastructure debt funds (IDFs) were amended to allow entry of IDF-NBFCs into sectors where there is no presence of a project authority. Risk weight as applicable to bonds held by IDF-NBFCs and assets of infrastructure finance companies were made applicable to all NBFCs.
May 21	Besides the Bombay Bullion Association Ltd. (BBA), rates of a commodity exchange regulated by the Forward Markets Commission were allowed to be used for valuation of gold jewellery for computing the LTV ratio.
June 25	NBFCs-ND were permitted to act as sub-agents under MTSS without requirement of prior approval from the Reserve Bank.
Department of Banking Supervision	
July 1, 2014	Classification and reporting system for frauds was prescribed, consolidating and updating earlier instructions.
September 5	Liquidity returns were prescribed for banks to monitor their resilience to potential liquidity disruptions under stress scenarios.
November 5	Preventive measures laid down for cheque related frauds.
December 15	Banks were advised to employ 'decoy customers' and conduct surprise checks for compliance with KYC/ AML/CFT norms.
March 4, 2015	Banks were advised to implement a comprehensive compliance plan with compliance testing and review structures in view of focus on compliance review in the Reserve Bank supervisory processes.
May 7	Banks were advised to follow a framework for fraud risk management, based on the recommendations of the Internal Working Group that looked into issues relating to prevention, early detection and reporting of fraud, penal measures for fraudulent borrowers, introducing, *inter alia*, the concepts of early warning signals and red flagged accounts.
June 4	Banks were advised that henceforth concurrent auditors, who are chartered accountants, of branches below the cut-off point will submit Long Form Audit Reports (LFARs) only to the Chairman of the bank and the bank in turn will consolidate all such LFARs and submit to the Statutory Central Auditor as an internal document of the bank.

Date of Announcement	Policy Initiative
Consumer Education and Protection Department	
December 3, 2014	A Charter of Customer Rights was issued covering five basic rights of bank customers.
February 11, 2015	The status on implementation of the charter will be monitored by the Reserve Bank in addition to a review by the bank's board.
May 11	Public sector banks, select private and foreign banks were advised to appoint chief customer service officers, *i.e.,* internal ombudsman.
Internal Debt Management Department	
December 15, 2014	The quantum of securities classified under HTM was restored to 100 per cent of audited NOF for the standalone PDs as at the end of the preceding financial year, effective December 31, 2014. It was raised to 200 per cent in September 2013 due to excessive market volatility.
Department of Currency Management	
December 31, 2014	The deadline for exchange of banknotes printed before 2005 was extended from December 31, 2014 to June 30, 2015.
February 3, 2015	The Regional Offices of the Reserve Bank were advised to continue with the Lead Bank Scheme for currency management in the identified districts on a pilot basis for one more year and guide the nodal banks suitably.
April 17	The process of approval by the Reserve Bank for opening of currency chests by banks has been rationalised / simplified from a multi-layered approval process to only one final approval subject to certain conditions.
June 26	The deadline for exchange of banknotes printed before 2005 was extended from June 30, 2015 to December 31, 2015.
Department of Payment and Settlement Systems	
August 14, 2014	The minimum number of free transactions at other banks ATMs was rationalised from five to three at six metros and for own bank ATMs to five.
August 22	Where cards issued by banks in India are used for making card not present payments within the country, such transactions have to be through a bank in India and settled only in Indian currency.
November 28	Guidelines on the Bharat Bill Payment System were issued, enabling the creation of pan-India touch points for bill payments by customers, irrespective of location.
December 3	PPI guidelines were revised, enhancing value of PPI with full KYC, increasing the validity period of gift cards, allowing issue of multiple PPIs for dependent/family members and rupee denominated PPIs for visiting foreign nationals/NRIs.
December 3	Guidelines for setting up of TReDS were issued to provide quick and efficient financing options for MSMEs.
December 4	Guidelines on mobile banking transactions were issued for adoption of best practices, such as greater degree of standardisation in procedures; registration options and timing, adoption of various channels/ methods for quickening the process of MPIN generation, and customer education and awareness programme.
December 5	WLAs were permitted to accept international credit/debit/prepaid cards, facility of dynamic currency conversion for international cards at WLAs and also to enable tie-ups with other commercial banks for cash supply.
December 15	RTGS business hours were extended: 8:00 to 20:00 hours on weekdays and 8:00 to 15:30 hours on Saturdays.

Date of Announcement	Policy Initiative
January 2, 2015	Authorised entities were advised to prominently carry the name of the entity authorised by the Reserve Bank in all the information available to the public regarding the product.
January 16	Instruction on computation of '*Net-worth*' was issued for an entity to be authorised under the PSS Act.
May 7	Effective September 1, 2015, all new cards issued – debit and credit, domestic and international should be EMV chip and pin based cards.
May 14	Requirement for additional factor of authentication was relaxed for small value card present transactions only using Near Field Communication contactless technology.