

CHRONOLOGY OF MAJOR POLICY ANNOUNCEMENTS: JULY 2018 TO JUNE 2019*

Date of Announcement	Policy Initiative
Monetary Policy Department	
August 1, 2018	The policy repo rate was increased by 25 bps to 6.50 per cent.
October 5, 2018	The monetary policy stance was changed from neutral to calibrated tightening.
February 7, 2019	The policy repo rate was reduced by 25 basis point to 6.25 per cent and the monetary policy stance was changed from calibrated tightening to neutral.
April 4, 2019	The policy repo rate was reduced by 25 bps to 6.0 per cent.
June 6, 2019	The policy repo rate was reduced by 25 bps to 5.75 per cent and the monetary policy stance was changed from neutral to accommodative.
Financial Inclusion and Development Department	
September 21, 2018	Guidelines were issued regarding co-origination of loans by banks and NBFCs for lending to priority sector.
October 17, 2018	Master Direction (MD) on relief measures by banks in areas affected by natural calamities for SCBs was updated and MD on relief measures for RRBs was issued.
January 2, 2019	Expert committee on MSMEs was constituted (under the Chairman: Shri.U.K.Sinha).
February 4, 2019	The KCC scheme was extended to animal husbandry and fisheries sectors for their working capital requirements.
February 7, 2019	<ul style="list-style-type: none"> • Limit for collateral free agricultural loans was raised from the existing level of ₹1 lakh to ₹1.6 lakhs. • Internal Working Group (IWG) to review agricultural credit was constituted.
February 21, 2019	Circular on 'Interest Subvention Scheme for MSMEs' was issued advising banks to take appropriate action for successful implementation of the scheme.
March 7, 2019	Banks were advised regarding the continuation of the interest subvention scheme for short-term crop loans up to ₹3 lakhs during 2018-19 and 2019-20.
May 6, 2019	Eligibility criteria for housing loans under priority sector were revised for RRBs and SFBs.
Financial Markets Regulation Department	
July 24, 2018	<ul style="list-style-type: none"> • Comprehensive repo directions were issued, covering repo in government securities (G-sec), corporate bond and tri-party repo with a view to harmonise and simplify regulations across different types of collateral and also to encourage wider participation. • 'When Issued' direction for G-sec market was issued liberalising the eligible participants' base and relaxing the entity-wise limits for taking positions in the 'When Issued' market.
July 25, 2018	Short sale directions for G-sec market were issued liberalising the eligible participants' base as well as relaxing the entity-wise and security category-wise limits for short selling in G-sec.
October 5, 2018	Electronic Trading Platforms (Reserve Bank) Directions, 2018 were introduced to put in place a framework for authorisation of electronic trading platforms (ETP) for financial market instruments regulated by the Reserve Bank.
October 29, 2018	Payment banks and SFBs were permitted to participate in the call money market both as borrower and lender.
November 29, 2018	Legal Entity Identifier (LEI) code for non-individual entities was introduced for participation in all financial markets regulated by the Reserve Bank.
February 7, 2019	A taskforce on offshore rupee markets were set up to incentivise non-residents to move to domestic markets for their hedging requirements and to improve market liquidity to promote hedging activity onshore.

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

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March 15, 2019	Reserve Bank of India (Prevention of Market Abuse) Directions, 2019 were issued in line with the best global practices, to prevent abuse in markets regulated by the Reserve Bank.
March 27, 2019	<ul style="list-style-type: none"> • The limit for FPI was increased to 6 per cent and 2 per cent of the outstanding stock of G-sec and SDL respectively for 2019-20. Further, the limit for FPI in corporate bonds was fixed at 9 per cent of the outstanding stock. • Non-residents were given access to the onshore OTC rupee IRD markets in India for the purposes of both hedging and other than hedging.
April 25, 2019	FPIs were permitted to invest in municipal bonds, within the limits for SDLs, to broaden access of non-resident investors to debt instruments in India.
May 24, 2019	A separate channel called VRR was introduced for FPIs with more operational flexibility to encourage them to undertake long-term debt investment in India.
June 20, 2019	An electronic trading platform developed by CCIL for buying/selling foreign exchange by retail customers of banks (FX-Retail) was introduced which will be operational from August 5, 2019.
June 26, 2019	<ul style="list-style-type: none"> • Interest rate derivative directions were issued covering all interest rate derivative products (both OTC and exchange traded) to achieve consistency and ease of access with the eventual objective of fostering a thriving environment for management of interest rate risk in the Indian economy. • A regulatory framework for Financial Benchmarks Administrator (FBA) was introduced, with the objective of improving the governance of the benchmark processes in markets regulated by the Reserve Bank.
Financial Markets Operations Department	
March 13, 2019	The Reserve Bank augmented its liquidity management toolkit and introduced long-term foreign exchange swap auctions to manage rupee liquidity. The first such buy/sell swap auction was conducted on March 26, 2019.
Foreign Exchange Department	
August 29, 2018	In consultation with the Government of India, it was decided to permit receipt of remittances to the Chief Minister's Distress Relief Fund – Kerala, through exchange houses, subject to the condition that the remittances are directly credited to the fund by the banks and the banks maintain full details of the remitters.
September 1, 2018	With the objective of integrating the reporting structure prescribed under FEMA for foreign investments received in India which were filed in a disaggregated manner across various platforms, formats and modes, a single master form was introduced through the FIRMS application.
September 7, 2018	The outward remittance services by non-bank entities through AD (category I) banks in India has been modified for overseas education by enhancing the limit to USD 10,000 per transaction.
September 19, 2018	In consultation with the Government of India, it has been decided to liberalise some aspects of the ECB policy with the objective of easing the constraints of manufacturing sector for raising capital from overseas and to improve liquidity in secondary market for rupee denominated bond.
October 3, 2018	In order to have easier access to foreign currency borrowings in view of their high import requirements, public sector oil marketing companies (OMCs) were permitted to raise ECB for working capital purposes with minimum average maturity period (MAMP) of 3/5 years from all recognised lenders under the automatic route.
November 6, 2018	The minimum average maturity requirement for ECBs in infrastructure space was reduced to 3 years and exemption from mandatory hedging of 100 per cent for infrastructure space companies was made applicable for ECBs with minimum average maturity of 5 years instead of earlier 10 years.
November 12, 2018	Individuals resident in India were permitted to include non-resident Indian (NRI) close relative(s) as joint holder(s) in all types of resident bank accounts on "Either or Survivor" basis subject to certain conditions.
November 26, 2018	Reduction in mandatory hedging requirement from 100 per cent to 70 per cent for ECBs, between 3 and 5 years maturity, raised by infrastructure space companies.
January 16, 2019	Rationalisation of the framework for the ECB and rupee denominated bonds for improving the ease of doing business.

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February 5, 2019	All the nine forms prescribed for reporting foreign investments received in India were made available for online filing through the FIRMS application.
February 7, 2019	Relaxing the end use restrictions for resolution applicants under the Corporate Insolvency Resolution Process (CIRP) and allowing them to raise ECBs from the recognised lenders, except the branches/overseas subsidiaries of Indian banks, for repayment of rupee term loans of the target company under the approval route.
February 27, 2019	Relaxation in case of opening of Branch Office (BO)/Liaison Office (LO)/Project Office (PO) or any other place of business in India by a NGO, non-profit organisation, Body/Agency/Department of a foreign government, if such an entity is engaged, partly or wholly, in any of the activities covered under Foreign Contribution (Regulation) Act, 2010 (FCRA).
March 13, 2019	The trade credit policy was rationalised to put in place a coherent and streamlined framework to further improve the ease of doing business and address the financing needs of the importers.
March 20, 2019	<ul style="list-style-type: none"> • An individual travelling from India to Nepal or Bhutan may carry Reserve Bank of India currency notes in Mahatma Gandhi (New) series of denominations ₹200 and/or ₹500, subject to a total limit of ₹25,000. • In order to facilitate compilation of estimates of bilateral trade in services, it was decided to incorporate an additional field for capturing the country code of ultimate exporter/importer in the BoP file-format under FETERS.
March 28, 2019	<ul style="list-style-type: none"> • No prior approval of the Reserve Bank is required if government approval or license/permission by the concerned ministry/regulator has already been granted for opening of a BO/LO/PO or any other place of business in India, where the principal business of the applicant falls in the defence, telecom, private security and information & broadcasting sector. • Certain modifications have been made for opening foreign currency accounts by FPI/FVCI registered with SEBI as well as for citizen of Bangladesh and Pakistan residing in India and who have been granted long-term visa.
April 11, 2019	Re-insurance and composite insurance brokers registered with IRDA have been permitted to open and maintain non-interest bearing foreign currency accounts with an AD bank in India for the purpose of undertaking transactions in the ordinary course of their business.
Department of Banking Regulation	
July 12, 2018	In order to address the concerns arising out of the anonymity provided by payments through demand drafts and its possible misuse for money laundering, it has been decided that the name of the purchaser be incorporated on the face of demand draft, pay order, banker's cheque etc., by the issuing bank. These instructions would be effective on instruments issued on or after September 15, 2018.
August 1, 2018	The Bank rate was raised by 25 bps to 6.75 per cent with immediate effect.
August 2, 2018	Banks were advised to use the conversion rate of FBIL for the purpose of converting foreign currency assets/liabilities in INR/USD and other major currencies for reporting in Form 'A' (CRR) and Form VIII (SLR) returns with effect from the reporting fortnight ending July 20, 2018.
November 2, 2018	Banks were permitted to provide partial credit enhancement to bonds issued by the systemically important non-deposit taking non-banking financial companies (NBFC-ND-SIs) registered with the Reserve Bank and HFCs registered with NHB, subject to certain conditions.
November 29, 2018	Banks were advised regarding the applicability of NSFR with effect from April 1, 2020.
December 5, 2018	<ul style="list-style-type: none"> • With the objective of aligning SLR with LCR requirement, it was decided to reduce the SLR, which was 19.5 per cent of NDTL, by 25 bps every calendar quarter beginning from January 5, 2019 till it reaches 18 per cent of NDTL on April 11, 2020. • With the objective of promoting greater credit discipline among working capital borrowers, guidelines were issued (effective from April 1, 2019) prescribing a 40 per cent mandatory loan component in working capital (to be increased to 60 per cent from July 1, 2019) and 20 per cent credit conversion factor on the undrawn portion of cash credit/overdraft facilities for the large borrowers, having aggregate fund based working capital limit of ₹1,500 million and above from banking system.

CHRONOLOGY OF MAJOR POLICY ANNOUNCEMENTS

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December 27, 2018	All SCBs (including RRBs), SFBs, LABs, Co-operative Banks, NBFCs and AIFs were advised to complete filing the charges pertaining to subsisting transactions by March 31, 2019 and all current transactions on an ongoing basis, with CERSAI.
December 28, 2018	Extension of facilities – (a) permitting banks to reckon government securities as Level 1 HQLA under FALLCR within mandatory SLR requirement up to 0.5 per cent of the bank’s NDTL in respect of their incremental lending to NBFCs and HFCs till March 31, 2019 (b) increase in single borrower limit for NBFCs to 15 per cent of capital funds till March 31, 2019.
January 9, 2019	All SCBs (excluding RRBs) were advised regarding the amendments made by the Government of India in existing guidelines to include ‘Charitable institutions, Central Government, State Government or any other entity owned by Central Government or State Government’ as persons eligible to make deposit under the Gold Monetisation Scheme, 2015.
January 10, 2019	It was decided to extend the transition period of the last tranche of Capital Conservation Buffer (CCB) by one year, <i>i.e.</i> , up to March 31, 2020. The increase in the trigger level of CET1 capital for write-down/conversion of AT1 instruments, from 5.50 per cent to 6.125 per cent effective March 31, 2019, was postponed till March 31, 2020.
January 11, 2019	Banks were advised that the benefit from increased interest equalisation rate from 3 per cent to 5 per cent in respect of exports by manufacturers in the MSME sector under the Interest Equalisation Scheme on Pre and Post-Shipment Rupee Export Credit would be provided to all eligible MSME exporters. The scheme is effective from April 1, 2015 for five years, covering exports under 416 identified tariff lines and export of MSMES, shall also include merchant exporters from January 2, 2019 allowing them interest equalisation at 3 per cent on credit for export of products covered under the identified tariff lines.
February 7, 2019	The Bank rate was reduced by 25 bps to 6.5 per cent with immediate effect.
February 22, 2019	<ul style="list-style-type: none"> • With a view to facilitate flow of credit to well-rated NBFCs and to harmonise risk weights applicable to banks’ exposure to various categories of NBFCs under the standardised approach for credit risk management, it was decided that exposures to all NBFCs, excluding Core Investment Companies (CICs), will be risk weighted as per the ratings assigned by the rating agencies registered with SEBI and accredited by the Reserve Bank, in a manner similar to that of corporates under the existing regulations. Exposures to CICs, rated as well as unrated, will continue to be risk-weighted at 100 per cent. • In January 2019, a one-time restructuring of existing loans to MSMEs that were in default but ‘standard’ as on January 1, 2019 was permitted without an asset classification downgrade, subject to certain conditions, which, <i>inter alia</i>, prescribed that the borrowing entity was required to be GST-registered on the date of implementation of the restructuring. MSMEs where the aggregate exposure of banks and NBFCs did not exceed ₹250 million as on January 1, 2019 were eligible for the scheme. However, the condition of being GST-registered was not to be applicable to MSMEs that were exempt from GST-registration. In this regard, it was clarified that the limit for exemption from GST-registration should be determined as per the limits that were applicable on the date of circular <i>i.e.</i>, January 1, 2019. • The definition of bulk deposits was revised as ‘single rupee term deposits of ₹2 crore and above’ for SCBs (excluding RRBs) and SFBs. Banks were also advised to maintain the bulk deposit interest rate card in their Core Banking System to facilitate supervisory review.
March 22, 2019	Implementation of Ind AS for SCBs (excluding RRBs) deferred by one year earlier, was deferred till further notice.
April 1, 2019	<p>Banks were advised to make disclosure of divergence from Income Recognition, Asset Classification and Provisioning (IRACP) norms, when either or both of the following conditions are satisfied:</p> <p>(a) the additional provisioning for NPAs assessed by the Reserve Bank exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period, and</p> <p>(b) the additional gross NPAs identified by the Reserve Bank exceed 15 per cent of the published incremental gross NPAs for the reference period.</p>
April 4, 2019	<ul style="list-style-type: none"> • Banks were advised to reckon an additional 2 per cent government securities held by them under FALLCR within the mandatory SLR requirement as Level 1 HQLA for the purpose of computing LCR in a phased manner, effective April 4, 2019 till April 1, 2020. • The Bank rate was reduced by 25 bps to 6.25 per cent with immediate effect.

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May 8, 2019	NCLAT <i>vide</i> order dated February 25, 2019 had restrained financial institutions from classifying the accounts of IL&FS or its entities as 'NPA' without prior permission. In view of the above order, banks and AIFs were advised <i>vide</i> RBI circular dated April 24, 2019 to disclose in their notes to accounts details of amount outstanding, amount which is NPAs as per IRAC norms but not classified as NPA, provisions required to be made as per IRAC norms and provisions actually held in respect of IL&FS and IL&FS entities. Subsequently, <i>vide</i> order dated May 2, 2019, NCLAT had permitted banks to classify their exposures towards IL&FS and group entities as NPA. In view of the same, the instructions contained in the above mentioned circular dated April 24, 2019 were withdrawn.
May 29, 2019	Amendment to the Master Direction on KYC was made. Major changes included: (a) allowing banks to carry out <i>Aadhaar</i> authentication/offline verification for individuals using their <i>Aadhaar</i> number for identification purpose voluntarily (b) addition of 'Proof of Possession of <i>Aadhaar</i> number' to the list of Officially Valid Documents (OVD) (c) obtaining customer's <i>Aadhaar</i> number for e-KYC authentication, for those receiving any benefit or subsidy under DBT (d) provision of identification of customers by regulated entities other than banks, through offline verification under <i>Aadhaar</i> Act if provided on voluntary basis.
May 31, 2019	The guidelines on rationalisation on Branch Authorisation Policy were revised, which introduced the concept of 'Banking Outlets' for RRBs. The permission for opening new banking outlets, in tier 1 to 4 centres, shall become applicable only after an RRB has opened at least 25 per cent of the total banking outlets during the previous financial year in Unbanked Rural Centres.
June 3, 2019	In order to capture exposures and concentration risk more accurately and to align the framework with international norms, the amendments were incorporated in the earlier circulars on 'Large Exposure Framework' dated December 1, 2016 and April 1, 2019. The revised guidelines supercede the earlier circulars.
June 6, 2019	The Bank rate was reduced by 25 bps to 6.0 per cent with immediate effect.
June 7, 2019	The Reserve Bank issued the prudential framework for resolution of stressed assets by the banks.
June 10, 2019	<ul style="list-style-type: none"> • It was decided that repurchase of SDLs by the concerned state government would be exempted from disclosure norms to be made in 'Notes to Accounts' in banks' audited Annual Financial Statements, apart from other approved types of transactions already exempted. • The facilities associated with Basic Savings Bank Deposit Account (BSBDA) were reviewed.
June 28, 2019	<ul style="list-style-type: none"> • It was decided that, with effect from the quarter commencing October 1, 2019, the minimum leverage ratio shall be 4 per cent for Domestic Systemically Important Banks (DSIBs) and 3.5 per cent for other banks. • The Master Office File (MOF) system maintained by the Reserve Bank for the directory of all BO/Offices of banks in India through which BSR code is allotted, has been replaced by a new web-based reporting system viz., Central Information System for Banking Infrastructure (CISBI) with a single proforma.
Department of Cooperative Bank Regulation	
July 6, 2018	Guidelines on spreading of MTM losses and creation of Investment Fluctuation Reserve (IFR) were issued.
August 16, 2018	<ul style="list-style-type: none"> • UCBs were permitted to undertake eligible transactions for acquisition/sale of non-SLR investment in secondary market with mutual funds, pension/provident funds and insurance companies, in addition to undertaking transactions with commercial banks and primary dealers, subject to adherence to the instructions issued by the Reserve Bank in this regard. • LAF was extended to Scheduled State Co-operative Banks (StCBs). With effect from August 20, 2018, MSF was extended to Scheduled UCBs and Scheduled StCBs in order to provide an additional window for liquidity management over and above what was available under LAF.
September 27, 2018	Guidelines were issued for allowing voluntary transition of UCBs to SFBs provided UCBs satisfy criteria such as – a minimum net worth of ₹500 million, maintaining 9 per cent CRAR as well as other eligibility conditions.
June 10, 2019	UCBs having liquidity stress were permitted to sell securities from Held-to-Maturity (HTM) portfolio.

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Department of Non-Banking Regulation	
July 27, 2018	Standalone Primary Dealers (SPDs) were permitted to offer foreign exchange products to their foreign portfolio investor (FPI) clients.
October 25, 2018	Directions on fit and proper criteria for sponsors of ARCs registered under the SARFAESI Act were issued.
November 29, 2018	Minimum holding period (MHP) requirement for securitisation transactions related to loans of original maturity above 5 years were relaxed for a period of six months.
February 22, 2019	<ul style="list-style-type: none"> • All systemically important non-deposit taking NBFCs were advised to take appropriate action as envisaged under Interest Subvention Scheme for micro, small and medium enterprises (MSMEs) announced by the Government of India. • Harmonisation of regulations governing AFCs, LCs and ICs were undertaken along with merging these into a new category called NBFC – Investment and Credit Company (NBFC – ICC).
April 16, 2019	Systemically important non-deposit taking investment and credit companies were made eligible for Authorised Dealer – Category II (AD – Cat II) license subject to meeting certain conditions.
May 16, 2019	NBFCs with asset size of more than ₹50 billion were advised to appoint a chief risk officer (CRO) with clearly specified role and responsibilities.
May 29, 2019	Relaxations related to MHP requirement for securitisation transactions were extended till December 31, 2019.
June 28, 2019	ARCs were permitted to acquire financial assets from other ARCs subject to certain conditions.
Department of Non-Banking Supervision	
May 8, 2019	NBFCs registered with the Reserve Bank were advised to report cyber security related incidents in electronic format.
Consumer Education and Protection Department	
September 3, 2018	Internal Ombudsman Scheme 2018 was extended to all SCBs (excluding RRBs) with more than 10 banking outlets.
January 31, 2019	Ombudsman Scheme for digital transactions was launched.
April 26, 2019	Ombudsman Scheme for non-banking financial companies was extended to non-deposit taking NBFCs having asset size of ₹1 billion or above and having customer interface.
June 24, 2019	Complaint Management System was launched.
Internal Debt Management Department	
October 29, 2018	Guidelines on Subsidiary General Ledger (SGL)/Constituent Subsidiary General Ledger (CSGL) account were comprehensively reviewed and a revised notification was issued to facilitate greater participation in government securities market and to provide market participants further operational ease in opening and operating SGL/CSGL account.
November 16, 2018	Separate guidelines for Value Free Transfer (VFT) were issued, broadening the scope of transactions where eligible entities may directly undertake VFT through RBI's CBS.
June 6, 2019	It was decided to allow specified Stock Exchanges to act as Aggregators/Facilitators to aggregate the bids of their stock brokers/other retail participants and submit a single consolidated bid under the non-competitive segment of the primary auctions of SDLs.
Department of Currency Management	
September 7, 2018	Banks were advised regarding the Gazette Notification dated September 6, 2018 on amendment to Reserve Bank of India (Note Refund) Rules.
November 20, 2018	All banks maintaining Currency Chests were advised to fulfil the required prerequisites related to the replacement of ICCOMS with an improved currency management module.

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February 28, 2019	Instructions regarding standardisation of storage facilities in Currency Chests were issued to the banks maintaining Currency Chests.
April 8, 2019	Banks were advised regarding the minimum standards requirement for setting up new Currency Chests with the objective of encouraging them to open large Currency Chests with modern facilities.
May 14, 2019	Instructions were issued to the banks for timely reconciliation of transactions (<i>i.e.</i> , ATM cash replenishment) between the bank, the service provider and its sub-contractor.
May 23, 2019	Large modern Currency Chests, which are fulfilling the newly introduced minimum standards for setting up Currency Chests, were allowed to increase the service charges to be levied on cash deposited by non-chest bank branches.
June 14, 2019	Banks were advised regarding the security measures aimed at mitigating risks in ATM operations and enhancing security.
June 26, 2019	The Reserve Bank appealed to members of the public to continue to accept coins as legal tender in all their transactions without any hesitation.
Department of Payment and Settlement Systems	
October 15, 2018	Directions related to capital requirements and governance framework of Central Counterparties (CCPs) and framework for recognition of foreign CCPs were issued.
October 16, 2018	For all KYC-compliant PPIs, the road map was laid to ensure (i) interoperability of PPIs issued in the form of wallets through UPI, (ii) interoperability between wallets and bank accounts through UPI, and (iii) interoperability for PPIs issued in the form of cards through card networks.
November 15, 2018	Positive confirmation to the remitter of the funds regarding completion of the fund transfer was introduced in the RTGS system with the objective of providing an assurance to the remitter that the funds have been successfully credited to the beneficiary account.
January 4, 2019	With the objective of strengthening customer protection in unauthorised electronic payment transactions in PPIs issued by authorised non-banks, the criteria for determining customers' liability were reviewed.
January 8, 2019	It was decided to permit authorised card payment networks to offer card tokenisation services to any token requestor through mobile phones/tablets.
February 25, 2019	The KYC requirements for PPIs were reviewed and the time line for completion of KYC was extended from 12 to 18 months.
March 7, 2019	The guidelines prescribed for White Label ATMs were reviewed in order to enhance the viability of WLAs.
May 28, 2019	Customer transactions cut-off time in RTGS was extended from 4:30 pm to 6:00 pm, with effect from June 1, 2019.
June 11, 2019	The processing charges and time varying charges levied on banks by the Reserve Bank for outward transactions undertaken using the RTGS system and also the processing charges levied by the Reserve Bank for transactions processed in the NEFT system were waived by the Reserve Bank from July 1, 2019.
June 12, 2019	The directions on governance of authorised domestic CCPs were reviewed and the upper age limit for appointment of Director, Independent Director and Chairperson was revised from 65 to 70 years.