

GIST OF RBI NOTIFICATIONS ISSUED DURING 2025
{Compiled by M Chandra Sekhara Reddy, AGM(Retd) Canara Bank}

SEPTEMBER 2025:

INTRODUCTION OF CONTINUOUS CLEARING AND SETTLEMENT ON REALISATION IN CHEQUE TRUNCATION SYSTEM:

Phase I : From 04-10-2025 :

- Single Presentation session from 10 am to 4 pm.
- As and when cheques will be scanned and sent to clearing house continuously, who in turn sent to drawee banks continuously.
- Each cheque will have "Item Expiry Time" by which time, either pass (positive confirmation) or Return (negative confirmation) will be provided by drawee bank continuously.
- Confirmation between 10 am to 7 pm.

Phase II: From 03-01-2026:

- Item Expiry Time will be T+3 hours (cheques received for clearing from 10 am to 11 am, expiry time is 3 hours from 11 am ie 2 pm.
- Drawee bank should confirm before Item Expiry Time, otherwise it is deemed that the cheque is passed.
- No accounting entries at the time of presentation.
- From 11 am, settlement will be arrived every hour till end of confirmation time.
- After receiving positive confirmation, account will be credited with cheque amount. For returned cheques, no accounting entry.
- On completion of settlement, clearing house will inform to presenting branch who in turn make available cheque amount to customer, not later than one hour from successful settlement.

DICGC New Portal "SAMYAK"

- Deposit Insurance and Credit Guarantee Corporation (DICGC), a wholly-owned subsidiary of the RBI, provides insurance cover to depositors of member banks up to **Rs.5 lakh per depositor per bank**.
- The **premium is payable half-yearly**, currently at the rate of **Rs.0.12 per Rs.100** of assessable deposits
- For Payment of Premium and also for submission of periodical returns to DICGC, new portal "SAMYAK" is started in the place of previous IASS portal.
- Depositors are entitled to receive up to Rs.5 lakh of their insured deposits **within 90 days** if a bank is placed under restrictions by the RBI (e.g., moratorium).

RBI PROPOSES PENALTY ON BANKS FOR DELAY IN CLAIM SETTLEMENT

- Banks must settle claims **within 15 days** of receiving complete documentation

Penalty for Delays:

- **Deposit Accounts:** In case of delays attributable to the bank, compensation shall be paid to the claimant in the form of interest, at a rate not less than the prevailing **Bank Rate + 4% per annum**, on the settlement amount due, for the period of delay.
- **Safe Deposit Lockers / Articles in Safe Custody:** Compensation of **Rs.5,000 per day** of delay will be payable to the claimant

NPCI RAISES UPI PER-TRANSACTION & DAILY LIMITS FOR SPECIFIC VERIFIED MERCHANT CATEGORIES

- ❖ Applicable to Verified Merchants – who satisfy NPCIs compliance requirements
- ❖ Per Transaction Limit Rs.5,00,000/- and Per day (24hour) Limit Rs.10 lakhs for **Capital Markets, Insurance, Govt.e-marketplace Payments, Travel, Credit Card Bill Payments and collections.**
- ❖ For Business/Merchant Payments daily limit not prescribed. Per transaction 5 lacs.
- ❖ For Jewellery purchase: Rs.2 lacs & Rs.6 lacs (per transaction, daily limit)
- ❖ For Foreign Exchange : Rs.5 lacs for both ie per transaction & daily limit.
- ❖ Digital Account Opening – initial funding: Rs.2 lacs for both and for Term Deposits: Rs.5 lacs for both.

RBI ALLOWS PERSONS RESIDENT OUTSIDE INDIA FOR INVESTMENT IN GOVERNMENT SECURITIES THROUGH “SPECIAL RUPEE VOSTRO ACCOUNT”.

- ❖ RBI allowed AD Banks to open Special Rupee Vostro Account of Correspondent Banks with out RBI approval.

RESERVE BANK OF INDIA CO-LENDING ARRANGEMENTS (CLA) DIRECTIONS, 2025

- ❖ Between Commercial Banks and NBFCs
- ❖ Originating RE (Regulated Entity) and Co-Lending RE (partner RE) to jointly fund a portfolio of loans, comprising of either secured or unsecured loans, in a pre-agreed proportion, involving revenue and risk sharing.
- ❖ Each RE under a CLA shall be required to retain a **minimum 10 per cent share** of the individual loans in its books.
- ❖ REs engaging in the CLA for loans eligible to be classified under priority sector lending can claim priority sector status in respect of their share of credit under CLA.
- ❖ Originating RE should transfer the share of the exposure to the partner RE under CLA within **15 calendar days**. Otherwise, it can be transferred to other eligible lenders as per RBI guidelines.
- ❖ Originating RE may provide **default loss guarantee up to five per cent** of loans outstanding in respect of loans under CLA
- ❖ If either of the REs classifies its exposure to a borrower under CLA as SMA / NPA on account of default in the CLA exposure, the same classification shall be applicable to the exposure of the other RE to the borrower under CLA.

PM SVANidhi SCHEME (extended till 31.03.2030)

- The loan structure has been enhanced. The first tranche loans increased up to ₹15,000 (from ₹10,000) and second tranche loans increased up to ₹25,000 (from ₹20,000), while the third tranche remains unchanged at ₹50,000.

AUGUST 2025

RBI INCLUDES CareEdge GLOBAL IFSC LTD AS ELIGIBLE INTERNATIONAL RATING AGENCY

- ❖ The Reserve Bank of India has included **CareEdge Global IFSC Ltd.** as an eligible international Credit Rating Agency (CRA) for the purposes of risk weighting their claims on Non-Resident Corporates originating at International Financial Services Centre (IFSC), GIFT City.
- ❖ Other three existing international credit rating agencies viz. **a) Fitch; b) Moody's; and c) Standard & Poor**

RBI ISSUES DIRECTIONS ON PRE-PAYMENT CHARGES ON LOANS TO MSEs

- Effective from 01.01.2026, for all WC & Term Loans of Individuals & MSEs: No pre payment charges for all FLOATING RATE LOANS & advances of Individuals other than Business purpose and for business purpose and also for MSEs.
- In case of Small Finance Banks and RRBs, loan upto Rs.50 lakh no prepayment charges.
- In case of OD/OCC, if borrower informs intention to close loan before due date, no prepayment charges provided the loan closed before due date.
- Other prepayment charges to be disclosed in Agreements/Key Fact Statement (KFS)

CONTINUATION OF ACABC SCHEME FOR FY 2025-26 with existing guidelines:

- ❖ The scheme offers a composite subsidy of **44%** of the Project Cost for Women, SC/ST candidates, and all categories from the NER and hilly regions, while other candidates receive a **36%** subsidy.

The Banking Laws (Amendment) Act, 2025:

- ❖ Notified on 15th April 2025, will come into effect from 1st August 2025
- ❖ Key reforms include redefining the threshold of '**substantial interest**' from the current **Rs. 5 lakh to Rs.2 crore**

An Alternative Investment Fund (AIF)

- ❖ is a privately pooled investment vehicle that collects funds from investors - Indian or foreign, for investing in accordance with a defined investment policy.
- ❖ **Investment Limits:**
 - **Individual Limit:** No RE shall individually contribute **more than 10 per cent** of the corpus of an AIF Scheme.
 - **Collective Limit:** Collective contribution by all REs in any AIF Scheme shall not be **more than 20 per cent** of the corpus of that scheme.

CENTRE GRANTS SECTION 54EC TAX BENEFIT STATUS TO IREDA BONDS :

- ❖ Investors can claim exemption on Long Term Capital Gains (LTCG) up to Rs.50 lakhs per financial year by investing in these bonds.

JULY 2025

Cash Reserve Ratio lowered to 3 per cent from 4 per cent

- ❖ Effective from the reporting fortnight
- ❖ beginning September 6 : 3.75 per cent;
- ❖ October 4th: 3.50 per cent
- ❖ November 1st : 3.25 per cent
- ❖ From November 29th 2025: 3.00 per cent

RBI GUIDELINES ON LENDING AGAINST GOLD & SILVER AS COLLATERAL

- Effective from 01.04.2026:
- The aggregate weight of ornaments pledged for all loans to a borrower shall **not exceed 1 kilogram for gold ornaments, and 10 kilograms for silver ornaments.**
- Tenor of consumption loans in the nature of bullet repayment loans shall be capped at 12 months, which may be renewed then after
- **The aggregate weight of coin(s) pledged for all loans to a borrower shall not exceed 50 grams in case of gold coins, and 500 grams in case of silver coins.**
- **Loan to Value Ratio (LTV):** For consumption Loan, through out the tenor of Loan: Upto Rs.2.5 lakh: 85%; Above Rs.2.5laks to Rs.5 lacs: 80%; >5 lakh: 75%
- **Timely Release of Collateral:** Collateral must be released or returned on the same day, or within a maximum of 7 working days after full repayment or settlement of the loan. Compensation of Rs.5,000 per day must be paid to the borrower/legal heir for any delay caused by the lender beyond the prescribed timeline.

GOVERNMENT BUSINESS BY AGENCY BANKS - PAYMENT OF AGENCY COMMISSION with effect from April 1, 2025

- ❖ Receipts - Physical mode: Per transaction Rs.40/-
- ❖ Receipts - e-mode: Per transaction : Rs.12/-
- ❖ Pension Payments: Per transaction : Rs.80/-
- ❖ Payments other than Pension : 7 paise Per Rs.100 turnover

IMPORT OF SHIPPING VESSEL-Relaxations:

- Importers to make advance remittance for import of shipping vessel, without bank guarantee, or an unconditional, irrevocable standby Letter of Credit, up to USD 50 million, subject to the stipulated extant conditions.

NBFC-MFI's - REVISED GUIDELINES:

Definition of Microfinance Loan:

- ❖ A microfinance loan is defined as a collateral-free loan given to a household having annual household income up to Rs.3,00,000. For this purpose, the household shall mean an individual family unit, i.e., husband, wife and their unmarried children.
- ❖ All collateral-free loans, irrespective of end use and mode of application/ processing/ disbursal (either through physical or digital channels), provided to low-income households, i.e., households having annual income up to Rs.3,00,000, shall be considered as microfinance loans.
- ❖ **Qualifying Assets Criteria :** Under the earlier qualifying assets criteria, a Non-banking Financial Company-Microfinance Institution (NBFC-MFI) is required to have minimum 75 per cent of its net assets as Qualifying Assets'. The definition of Qualifying Assets' of NBFC-MFIs is now been aligned with the definition of microfinance loans' and the minimum requirement of Microfinance loans for NBFC-MFIs stands **revised to 60%** of the total assets.
- ❖ NBFC-MFI net owned funds should be Rs.7 cr (Rs.5cr for NE Region) by 31st March 2025 and Rs.10 cr by 31st March 2027.

DEAF SCHEME, 2014 : As per Sections 26A and 35A of the Banking Regulation Act, 1949, modifications done wef 01st October 2025 :

- Banks must transfer unclaimed amounts (10 years or more) and accrued interest to the DEA Fund during the last five working days of the following month.
- Banks can transfer unclaimed amounts to the DEA Fund **via e-Kuber only once during the last five working days of each month.**
- Banks can submit one consolidated claim from the DEA Fund via e-Kuber during the **first 10 working days of each month.**
- When a customer claims an unclaimed amount, the bank must repay the customer (with interest, if applicable) and then lodge a refund claim from the DEA Fund.

RBI LIFTS RESTRICTIONS ON USE OF BRICKWORK RATINGS (BRIPL):

- ❖ **Now, w.e.f. June 9, 2025,** RBI has decided to remove the restrictions/ limits placed on the use of ratings of BRIPL by the banks. (In July 2024, RBI partially relaxed)

EASE 8.0 :

- ❖ EASE 8.0 focuses on making PSBs future-ready, technology-driven, and customer-centric, aligning with broader national goals such as Amrit Kaal Vision 2047 and Viksit Bharat@2047.

IBA has launched the EASE 8.0 PSB common reforms agenda for FY 2025-26.

The 4 Reforms Pillars for EASE 8.0 is R.I.S.E, i.e;

- (1) Risk & Resilience (R);**
- (2) Innovation (I);**
- (3) Socio-Economic Impact (S); and**
- (4) Excellence (E).**

RESERVE BANK OF INDIA (PROJECT FINANCE) DIRECTIONS, 2025:

- The original or revised **repayment tenor, including the moratorium period, if any, shall not exceed 85% of the economic life of a project.**
- **“Date of Financial Closure”** refers to the date on which the capital structure of the project, including equity, debt, grant (if any), accounting for **minimum 90%** of total project cost, becomes legally binding on all stakeholders
- **Permitted DCCO Deferment:** Extension of Original / extended DCCO with the consequential shift in repayment schedule for equal or shorter duration is **permitted up to 3 years in case of Infrastructure Projects and up to 2 years in case of Non-Infrastructure Projects (including CRE and CRE-RH).**
- **Cost Overrun:** As part of a resolution plan, a lender may finance, cost overrun associated with permitted DCCO deferment in compliance with above, up to a maximum of 10% of the original project cost, in addition to IDC (Interest During Construction) and classify the account as ‘Standard
- **Change in Scope and Size:** A project finance account where DCCO extension is necessitated by an increase in the project outlay on account of increase in scope and size of the project, may be classified as ‘Standard’, provided the rise in project cost excluding any cost-overrun in respect of the original project is **25%** or more of the original outlay.
- Provision for **Standard Assets during Construction Phase:** CRE: 1.25%; CRE-RH & All Others:1.00% .
- Provision for DCCO deferred Standard Assets: 0.375% for Infra and 0.5625% for Non Infra Projects for each quarter of deferment, over and above applicable standard asset provision.

JUNE 2025:

GOVERNMENT NOTIFIES REVISED CREDIT GUARANTEE SCHEME FOR STARTUPS (CGSS)

- ❖ The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry has notified the expansion of the CGSS which increases the ceiling on guarantee cover per borrower under the Scheme from Rs. 10 crore to **Rs. 20 crore.**
- ❖ The extent of guarantee cover provided has also been increased to **85%** of the amount in default for loan amount up to Rs. 10 crore and **75%** of the amount in default for loan amount exceeding Rs. 10 crore.
- ❖ The Annual Guarantee Fee (AGF) for startups in 27 Champion Sectors has been reduced to **1%p.a.** from 2% p.a. The Champion Sectors have been identified by the Government under ‘Make in India’ to provide a thrust to India’s manufacturing and service capabilities.

CABINET APPROVES CONTINUATION OF MODIFIED INTEREST SUBVENTION SCHEME (MISS) FOR FY 2025-26 WITH EXISTING 1.5% INTEREST SUBVENTION (IS):

- The Union Cabinet approved the continuation of the Interest Subvention (IS) component under the Modified Interest Subvention Scheme (MISS) for the financial year 2025-26.
- Under this scheme, Farmers receives short-term loans of up to Rs.3 lakh through Kisan Credit Cards (KCC) at a subsidized interest rate of **7%, with 1.5% interest subvention** provided to eligible lending institutions.
- Additionally, farmers repaying loans promptly are eligible for an incentive of up to **3% as Prompt Repayment Incentive (PRI)** effectively reducing their interest rate on KCC loans to 4%.
- For loans taken exclusively for animal husbandry or fisheries, the interest benefit is applicable up to **Rs.2 lakh**.

MAY 2025:

REVISED GUIDELINES ON OPENING OF AND OPERATION IN DEPOSIT ACCOUNTS OF MINORS

- ❖ RBI has issued the following guidelines under **sections 35A and 56 of the Banking Regulation Act, 1949**.
- ❖ Minors of **any age** may be allowed to open and operate savings and term deposit accounts through his/ her **natural or legal guardian and also with his/her mother**.
- ❖ Minors above age limit of **10 years** (or as fixed by Banks above 10 years) may be allowed to open and operate savings/ term deposit accounts independently.
- ❖ On attaining the age of majority, fresh operating instructions and specimen signature of the account holder shall be obtained.
- ❖ If the account is operated by the guardian, the balance shall be got confirmed
- ❖ Banks are free to offer additional banking facilities like internet banking, ATM/ debit cards, cheque book facility, etc., to the minor account holders.
- ❖ **No overdraft** is allowed in minor accounts.

REGULAR DISPENSATION OF ₹100 AND ₹200 DENOMINATION BANKNOTES THROUGH ATMs:

- By **September 30, 2025, 75% of all ATMs** should dispense either ₹100 or ₹200 denomination banknotes from at least one cassette
- By **March 31, 2026, 90%** of all ATMs should dispense either ₹100 or ₹200 denomination banknotes from at least one cassette.

CGTMSE ANNOUNCES REDUCTION IN ANNUAL GUARANTEE FEES (AGF) ABOVE RS. 1.00 CR UNDER CGS-III (CO LENDING)

Standard AGF rates for Co Lending: 0 - 10 lakh 0.37

Above 10 lakh -50 lakh 0.55

Above 50 lakh -1 crore 0.60

Above 1 crore -2 crore 0.85

Above 2 crore -5 crore 1.00

PRIORITY SECTOR LENDING – REVISED GUIDELINES wef 01.04.2025:

- ❖ RBI issued guidelines under Sections 21 and 35A of Banking Regulation Act 1949
- ❖ Total Priority Sector Target : 40% of ANBC or CEOBE whichever is higher.

Agriculture

- ❖ **18%** of ANBC or CEOBE, whichever is higher.
- ❖ Within this target, **14%** is prescribed for Non-Corporate Farmers (NCFs), out of which a target of **10%** is prescribed for Small & Marginal Farmers (SMFs.)

Micro Enterprises

- ❖ **7.5%** of ANBC or CEOBE, whichever is higher

Advances to Weaker Sections

- ❖ **12%** of ANBC or CEOBE, whichever is higher

A higher weight (125%) would be assigned to the incremental priority sector credit in the identified districts where the credit flow is comparatively lower i.e., per capita PSL less than **Rs.9,000** (earlier it was **Rs.6000**)

A lower weight (90%) would be assigned for incremental priority sector credit in the identified districts where the credit flow is comparatively higher i.e., per capita PSL greater than **Rs.42,000** (earlier it was **Rs.25000**).

Modification under Small & Marginal Farmers:

Loans up to ₹2.50 lakh (earlier ₹2.00 lakh) to individuals solely engaged in Allied activities without any accompanying land holding criteria.

MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs):

All bank loans to MSMEs qualify for classification under PSL

- ❖ **Micro Enterprise:** A Micro enterprise, where the investment in plant and machinery or equipment does not exceed **Rs.2.50 crore (Rs.1 crore earlier)** and turnover does not exceed **Rs.10 crore (Rs.5 crore earlier)**.
- ❖ **Small Enterprise:** A Small enterprise, where the investment in plant and machinery or equipment does not exceed **Rs.25 crore (Rs.10 crore earlier)** and turnover does not exceed **Rs.100 crore (Rs.50 crore earlier)**.
- ❖ **Medium Enterprise:** A Medium enterprise, where the investment in plant and machinery or equipment does not exceed **Rs.125 crore (Rs.50 crore earlier)** and turnover does not exceed **Rs.500 crore (Rs.250 crore earlier)**.

EXPORT CREDIT

- ❖ Incremental export credit over corresponding date of the preceding year, up to **2%** of ANBC or CEOBE whichever is higher, subject to a sanctioned limit of up to **Rs.50 crore (earlier Rs.40 crore)** per borrower.

EDUCATION:

- ❖ Loans to individuals for educational purposes, including vocational courses, not exceeding **Rs.25 lakh (earlier Rs. 20 lakh)**

The major changes in the new master direction are as hereunder:

Particulars	Earlier guidelines	Revised guidelines
Target on lending to Non-Corporate Farmers (NCFs) under agriculture.	Overall lending to NCFs does not fall below the system-wide average of the last three years' achievement.	14% is prescribed for Non-Corporate Farmers (NCFs) for domestic Banks and foreign banks with more than 20 branches.
Farm credit- Individual farmers; Loans against pledge/hypothecation of agricultural produce (including warehouse receipts)	For a period not exceeding 12 months subject to a limit up to ₹75 lakh against NWRs/eNWRs and up to ₹50 lakh against warehouse receipts other than NWRs/eNWRs.	For a period not exceeding 12 months subject to a limit up to ₹90 lakh against NWRs/eNWRs and up to ₹60 lakh against warehouse receipts other than NWRs/eNWRs.
Limit on loans to corporate farmers /FPOs /Partnership firms / cooperative societies under farm credit	Maximum limit of ₹2 crore per borrowing entity towards crop loans, Term Loan for agriculture/allied activity and post-harvest activity.	Maximum limit of ₹4 crore per borrowing entity towards crop loans, Term Loan for agriculture/allied activity and post-harvest activity.
Limit on loans to corporate farmers /FPOs /Partnership firms / cooperative societies against pledge/ hypo. of agricultural produce	Loans up to ₹75 lakh against pledge/hypothecation of agri produce for a period not exceeding 12 months against NWRs/eNWRs and up to ₹50 lakh against warehouse receipts other than NWRs/eNWRs.	Loans up to ₹4 crore against pledge/hypothecation of agricultural produce for a period not exceeding 12 months against NWRs/eNWRs and up to ₹2.50 crore against warehouse receipts other than NWRs/eNWRs.
Farm credit to FPO/FPC	Loans up to ₹5 crore per borrowing entity to FPOs/FPCs undertaking farming.	Loans up to ₹10 crore per borrowing entity to FPOs/FPCs undertaking farming.
Under Farm credit to corporate farmers; Loans to co-operative societies of farmers	New addition (shifted from agriculture ancillary activity)	Loans up to ₹10 cr (Rs. 5 cr earlier under ancillary activity) to co-operative societies of farmers for purchase of the produce of members directly engaged in agriculture and allied activities included under farm credit to corporate farmers.

Classification of farmers as Small and Marginal if engaged in allied agriculture activity	Loans up to ₹2.00 lakh to individuals solely engaged in Allied activities without any accompanying land holding criteria.	Loans up to ₹2.50 lakh to individuals solely engaged in Allied activities without any accompanying land holding criteria.
Export credit limit for domestic banks / WoS of Foreign banks/ SFBs/ UCBs	Incremental export credit over corresponding date of the preceding year, up to 2% of ANBC or CEOBE whichever is higher, subject to a sanctioned limit of up to ₹ 40 crore per borrower.	Incremental export credit over corresponding date of the preceding year, up to 2% of ANBC or CEOBE whichever is higher, subject to a sanctioned limit of up to ₹50 crore per borrower.
Limit on Education loan to individuals	Not exceeding ₹ 20 lakh	Not exceeding ₹25 lakh .
Housing Loan (New clause inserted)	No such conditions	Loans to individuals for purchase / construction of a dwelling unit per family .
Housing loan to individuals for New purchase /construction	Metro centres with population of 10 Lakh and above: Loan limit Rs.35 Lakh and cost of dwelling unit not exceeding Rs.45 Lakh. Other centres: Loan limit Rs.25 Lakh and cost of dwelling unit not exceeding Rs.30 Lakh.	Centres with population of 50 lakh and above: Loan limit Rs.50 Lakh and cost limit Rs.63 Lakh . Centres with population of 10 lakh and above but below 50 lakh: Loan limit Rs.45 Lakh and cost limit Rs.57 Lakh . Centres with population below 10 lakh: Loan limit Rs.35 Lakh and cost limit Rs.44 Lakh .
Housing loan to individuals for repair / renovation	Metro centres with population of 10 Lakh and above: Loan limit Rs.10 Lakh and cost of dwelling unit not exceeding Rs.45 Lakh. Other centres: Loan limit Rs.6 Lakh and cost of dwelling unit not exceeding Rs.30 Lakh.	Centres with population of 50 lakh and above: Loan limit Rs.15 Lakh and cost limit Rs.63 Lakh . Centres with population of 10 lakh and above but below 50 lakh: Loan limit Rs.12 Lakh and cost limit Rs.57 Lakh . Centres with population below 10 lakh: Loan limit Rs.10 Lakh and cost limit Rs.44 Lakh .

Social Infrastructure	Loan up to a limit of ₹5 crore per borrower for setting up schools, drinking water facilities and sanitation facilities.	Loan up to a limit of ₹8 crore per borrower for setting up schools, drinking water facilities and sanitation facilities.
	Loans up to a limit of ₹10 crore per borrower for building health care facilities in Tier II to Tier VI centres	Loans up to a limit of ₹12 crore per borrower for building health care facilities in Tier II to Tier VI centres
Renewable Energy	Loans up to a limit of ₹30 crore to borrowers for purposes like solar based power generators, biomass-based power generators etc.	Loans up to a limit of ₹35 crore to borrowers for purposes like solar based power generators, biomass-based power generators etc.
Weaker Section	Individual women beneficiaries up to Rs. 1 Lakh per borrower.	Individual women beneficiaries up to ₹2 lakh per borrower.
Service Charges	No service charges/inspection charges should be levied on priority sector loans up to ₹25,000.	No service charges/inspection charges should be levied on priority sector loans up to ₹50,000.

APRIL 2025:

RBI ALLOWS BANKS TO CHARGE CUSTOMERS RS 23 PER ATM TRANSACTION FROM MAY 1:

- Starting May 1, customers will have to pay ₹23 per transaction at ATMs beyond the mandatory free transactions provided by their banks
- Customers are eligible for **five free transactions** (financial and non-financial), every month from their own bank ATMs.
- They are also eligible for three free transactions from other bank ATMs in metro centres and five transactions in non-metro centres.

CGTMSE EXTENDES SPECIAL BENEFITS TO MSEs PROMOTED BY TRANSGENDERS:

- With effect from 1st March 2025, credit guarantee support extended to MSEs setup by Transgender Entrepreneur, shall be eligible for concession of 10% in the Standard rate of Annual Guarantee Fee and higher extent of guarantee coverage of **85%**.

CGTMSE NOTIFIES CERTAIN MODIFICATION IN CGS-I FOR BANKS effective from 1st March 2025:

- ❖ Member Lending Institutions (MLIs) can apply for guarantee cover **anytime during the tenure of Loan** provided the credit facility was **not restructured / remained in SMA2 status in last 1 year** from the date of submission of application
- ❖ The accounts classified as **Fraud / Willful defaulter / Non-Co-operative borrower** shall not be considered eligible for Claim Settlement. (New addition).
- ❖ The account slipping into **NPA within 90 days** from the material date shall not be considered eligible for Claim Settlement. (New addition).
- ❖ Credit facility sanctioned **without obtaining/creation of any primary security** unless specifically provided for shall not be eligible for being guaranteed. (New addition).
- ❖ The Annual Guarantee Fee shall be demanded in respect of all live covered accounts **excluding the accounts where claim has been lodged** in the system
- ❖ Second / final instalment can be lodged after the completion of 3 years from the settlement of first claim or OTS (after the receipt of full and final OTS amount) whichever is earlier. (Earlier it was payable on conclusion of recovery proceedings or till the decree gets time barred).
- ❖ The ceiling of guarantee coverage has been enhanced from ₹5 crore to **₹10 crore** under Credit Guarantee Scheme – I (for Banks & Select FIs) and applicable to all guarantees on or after April 01, 2025, including enhancement in Working Capital of existing covered accounts.

The standard rate of Annual Guarantee fee shall be **1.10% for coverage above Rs.5.00 crore to Rs.8.00 crore** and **1.20% for coverage above Rs.8.00 crore and up to Rs.10.00 crore.**

AGF w.e.f 1st April 2025

Slab (Rs.)	Revised Standard Rate % (AGF)
0 - 10 lakh	0.37
Above 10 lakh -50 lakh	0.55
Above 50 lakh -1 crore	0.60
Above 1 crore -2 crore	0.85
Above 2 crore -5 crore	1.00
Above 5 crore -8 crore	1.10
Above 8 crore -10 crore	1.20

MARCH 2025:

RBI ROLLS BACK HIKE IN RISK WEIGHT ON BANK LOANS TO NBFCs:

- ❖ In November 2023, the RBI had raised the risk weights on bank loans to NBFCs by 25 percentage points for exposures where the existing risk weight, based on the NBFC's external rating, was below 100%.
- ❖ Effective April 1, 2025, the RBI has restored the risk weights on bank exposures to NBFCs to levels aligned with their external ratings, effectively rolling back the previous hike.
- ❖ The RBI has reduced the risk weight for microfinance loans classified as consumer credit from 125% back to 100%. If these loans meet Regulatory Retail Portfolio norms, risk weight will be 75%, applicable to Regulatory Retail.

MUTUAL CREDIT GUARANTEE SCHEME FOR MSMEs FOR CREDIT FACILITY UPTO RS.100 CRORE

- Formed by DFS, Ministry of Finance, GOI & managed by NCGTC wef 27.01.2025.
- For providing 60% guarantee coverage by NCGTC to Member Lending Institutions (MLIs) for credit facility upto Rs.100 crore sanctioned to eligible MSMEs for purchase of equipment / machinery.
- MSME with Udyam Registration, where minimum cost of Equipment/machinery should be 75% of Project Cost.
- 60% Guarantee coverage
- Guarantee Fee: 5% during first year, 1.5% of outstanding as on March, for next 3 years and 1% of outstanding as on 31st March thereafter.
- Available Collateral security will be netted off from loan amount/liability for calculation of Guarantee Fee
- Loans upto Rs.50 crore, repayment period should be upto 8 years with 2 year moratorium.

FEBRUARY 2025:

TRAI guidelines for sending commercial communication through voice calls or SMS

- ❖ 140 Numbering Series is allocated only for making promotional voice calls.
- ❖ 160 series shall be assigned to the Senders exclusively for making transactional and service calls to their existing customers
- ❖ Use of any other 10-digit fixed/mobile number other than 140/160 series for making promotional/Service/transactional voice calls by Senders may result in disconnection of all telecom resources of the Sender for a period up to two years and Sender shall also be put under the blacklist category for that period during which no new telecom resource shall be provided to such Senders by any telecom service provider.

Change in SNRR Account:

- ❖ A person resident outside India, having business interest in India, may open a SNRR account, with an authorised dealer in India or its branch outside India for the purpose of putting through permissible Current and Capital Account transactions with a person resident in India in accordance with the rules and regulations framed under the Act.
- ❖ RBI has **removed** the **seven-year cap** on the validity of SNRR accounts.
- ❖ Hence, the **tenure of the SNRR account shall be concurrent to the tenure of the contract / period of operation / the business** of the account holder.

INDIAN EXPORTERS ARE ALLOWED TO MAINTAIN FOREIGN CURRENCY ACCOUNT OUTSIDE INDIA

- ❖ For realization of full export value and advance remittance received by the exporter towards export of goods or services.
- ❖ Funds in this account may be utilised by the exporter for paying for its imports into India or repatriated into India **within a period not exceeding the end of the next month** from the date of receipt of the funds after adjusting for forward commitments.

JANUARY 2025:

INTRODUCTION OF BENEFICIARY BANK ACCOUNT NAME LOOK-UP FACILITY FOR RTGS AND NEFT

- To ensure that remitters using RTGS and NEFT systems can verify the name of the bank account to which money is being transferred before initiating the transfer and thereby avoid mistakes and prevent frauds.
- Based on the account number and IFSC of the beneficiary entered by the remitter, the facility will fetch the beneficiary's account name from the bank's Core Banking Solution (CBS).

CREDIT FLOW TO AGRICULTURE – COLLATERAL FREE AGRICULTURAL LOANS:

- ❖ RBI has decided to raise the limit for collateral free agricultural loans including loans for allied activities from the existing level of Rs.1.6 lakh to **Rs.2 lakh** per borrower from 01.01.2025 onwards.
- ❖ **No margin also upto Rs.2 lacs.**

SMALL VALUE DIGITAL PAYMENTS IN OFFLINE MODE

- Per-transaction limit for UPI Lite offline payments has been increased to Rs.1,000, with an overall limit of Rs.5,000 per payment instrument at any point in time.

BANKING LAWS (AMENDMENT) BILL, 2024:

- The Bill changes the definition of fortnight for calculation of CRR, to the period from:
 - First day to fifteenth day of each month, or
 - Sixteenth day to the last day of each month.

Substantial interest in a Company:

- Under the Banking Regulation Act, substantial interest in a company refers to holding shares of over five lakh rupees or 10% of the paid-up capital of the company, whichever is less. This may be held by an individual, his spouse, or minor child, either individually or collectively. The Bill amends this to increase the threshold to **two crore rupees through** central government notification.
- **Appointment of up to four nominees:** For deposits, such nominees can be appointed either successively or simultaneously while for other purposes they can be appointed successively.
- In case of simultaneous nominees, the nomination will be effective in a declared proportion.
- For successive nomination, the nominee who has been named higher in the order of nomination will receive priority.

Settlement of Unclaimed amounts (Share/Bond amount or Dividend):

If the money in the account remains unpaid or unclaimed for seven years, it is transferred to the Investor Education and Protection Fund (IEPF).

RBI ISSUES GUIDELINES FOR BANKS AND STATE GOVERNMENTS ON DEBT RELIEF SCHEMES

- ❖ Any waiver of accrued but unrealized interest and/or sacrifice of principal by Regulated Entities in borrower accounts under the DRS will be treated as a **compromise settlement** and will be subject to the prudential treatment outlined in the applicable RBI guidelines
- ❖ No receivable shall be created against the Government under the DRS, and the exposure shall remain on the borrower until the RE receives the funds. Until such receipt, REs must continue to apply applicable prudential norms, including those related to income recognition, asset classification, and provisioning

DECEMBER 2024:

DOMESTIC SYSTEMICALLY IMPORTANT BANKS (D-SIBs):

- SBI, ICICI Bank & HDFC Banks are D SIBs as recognised by RBI.
- From 01.04.2025, these D SIBs have to maintain additional Tier I Capital under Common Equity as under:
- SBI: 0.80%; HDFC Bank: 0.4%; ICICI Bank: 0.20%
- Out of 5 D SIB buckets, SBI is in Bucket 4; HDFC Bank in Bucket 2; ICICI Bank in Bucket 1.

NOVEMBER 2024:

- ❖ **MUDRA LOAN LIMIT DOUBLED TO RS. 20 LAKH:** Government has doubled the limit of Mudra loans under the Pradhan Mantri Mudra Yojana (PMMY) from Rs. 10 lakh to Rs. 20 lakh, introducing a new 'Tarun Plus' category.