RTI Disclosures of Common Interest

The Reserve Bank of India receives requests for information under the Right to Information Act, 2005. Some information furnished by the Chief Public Information Officer in response requests, would be of interest to the members of the public. Such information is furnished in this Disclosure Log.

Information pertaining to Commercial Banks

RIA No	Information Sought	Reply given/ Information provided	Date of Reply
1 **RIA 406/05-06 DBOD**	Guidelines issued by the Reserve Bank of India to prevent fraudulent use of ATMs.	The report on Information Systems Security Guidelines for the Banking and Financial Sector headed by Dr. R. B. Barman dated March 11, 2002, had indicated that to detect and prevent fraudulent use of ATMs, banks have to install video cameras at the site for capturing the images of all the users of the ATM. Copy of the report, which was sent to all the banks, is available on our website http://rbidocs.rbi.org.in/rdocs/publicationReport	March 22, 2006
2 **RIA 411/05-06 DBOD**	Can any bank, on its own, recover the loan amount by operating the savings account of a living depositor, without the express instructions of the depositor/without the orders of a Recovery Tribunal?	The account holder of NRE savings deposits can withdraw the savings deposit at any time and therefore, banks should not mark any type of lien, direct or indirect, against these deposits.(as regards domestic savings deposits, banks may follow the guidelines issued by IBA/existing practices approved by their Board in this regard).	April 13, 2006
3 **RIA 420/05-06 DBOD**	The definitions/ criteria for classifying non-performing assets (NPAs) as 'doubtful' and 'loss' assets as on 1.4.1994, and what are the subsequent amendments in this regard	Definitions/criteria for classifying NPAs as doubtful and loss assets as on April 1, 1994 are furnished in our circular no.DBOD.No.BC.129/21.04.043/92 dated April 27, 1992, and the subsequent modifications to these definitions are incorporated in our Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances' issued every year. The latest Master Circular containing the definition/criteria for classifying NPA as 'doubtful/ and 'loss asset' is DBOD.No.BP.BC.15/21.04.048/2006-07 dated July 1, 2006, which is available on our website www.rbi.org.in	April 5, 2006

4 **RIA 434/05-06 DBOD**	'Ration Card' as a document for proof of residence, for the purpose of opening of bank accounts.	As per RBI Circular DBOD.AML.58/14.01.001/ 2005-06 dated November 29, 2004 (copy available on our website at http://rbi.org.in/scripts/NotificationUser.aspx ration card is a valid document in support of residential address	March 21, 2006
5 **RIA 477/05-06 DBOD**	Guidelines issued by RBI to declare an a/c non-performing.	These instructions are given in the Master Circular DBOD.BP.BC. 12 / 21.04.048 / 2005-06 dated July 2, 2005, which is available on our website www.rbi.org.in under 'Notification' and the path is http://rbidocs.rbi.org.in/rdocs/notification/PDFs/78400.pdf	April 26, 2007
6 **RIA 483/05-06 DBOD**	Circulars / Guidelines issued regarding issue of cheque books	Two circulars were issued. DBOD.108/09.07.007/97-98 dated September 25, 1997 and DBOD .LEG .BC . 74/ 09.07.005 / 03-04 dated April 10, 2004. Also refer to our Circular DBOD.No.Leg.BC.87/c.466(IV)-89 dated March 3, 1989 wherein banks have been advised that they may issue cheque books with larger number of leaves(20-25) if a customer demands the same and also ensure that adequate stocks of such cheque books are maintained with all the branches to meet the requirements of the customers. The circular is available on our website	May 10, 2006
7 **RIA 614/05-06 DBOD**	What are the instructions /guidelines for nomination and settlement of claims of deceased depositors/locker hirers?.	Reserve Bank of India has issued Circular no DBOD.Leg.BC.95 dated June 9, 2005 in this matter and is available on our website at http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=2284&Mode=0 Banking Companies Nomination Rules, 1985 have been framed in terms of Sections 45ZA to 45ZF of the Banking Regulation Act, 1949.	May 19, 2006
8 **RIA 693/05-06 DBOD**	RBI rules /guidelines on Credit Cards	RBI has issued circular DBOD.FSD.BC.17/24.01.011/2007-08 dated July 2, 2007 which is available on our website at http://rbi.org.in/ Notification	June 9, 2006
9 **RIA 10/06-07**	Guidelines / Rules regarding premature withdrawal of term	A bank, on request from the depositor, should allow withdrawal of a term deposit before completion of the period of the deposit agreed upon at the time of making the deposit. The bank will	August 2, 2006.

DBOD	deposits.	have the freedom to determine its own penal interest rate of premature withdrawal of term deposits. The bank should ensure that the depositors are made aware of the applicable penal rate along with the deposit rate. While prematurely closing a deposit, interest on the deposit for the period that it has remained with the bank will be paid at the rate applicable to the period for which the deposit remained with the bank and not at the contracted rate. No interest is payable, where premature withdrawal of deposits takes place before completion of the minimum period prescribed. However, the bank, at its discretion, may disallow premature withdrawal of large deposits held by entities other than individuals and Hindu Undivided Families. The bank should, however, notify such depositors of its policy of disallowing premature withdrawal in advance, i.e., at the time of accepting such deposits. (ii) In the case of premature withdrawal of NRE term deposits for conversion into Resident Foreign Currency (RFC) Account, the bank should not levy any penalty for premature withdrawal. If such a deposit has not run for a minimum period of 1 year, the bank may, at its discretion, pay interest at a rate not exceeding the rate payable on savings deposits held in RFC accounts, provided the request for such a conversion is made by the NRE account holder immediately on return to India. (iii) Conversion of NRE deposit into FCNR(B) deposit and vice versa before maturity should be subject to the penal provision relating to premature withdrawal. (iv) Conversion of NRSR / NRNR deposit into NRO deposit before maturity will be subject to the penal provision relating to premature withdrawal. (v) In view of the discontinuance of NRNR / NRSR schemes with effect from April 1, 2002, the proceeds of NRNR deposits can be credited to NRE accounts on maturity but not to FCNR(B) accounts, while proceeds of NRSR accounts can be credited on	

		maturity to NRO accounts only. In case of premature withdrawal of NRNR / NRSR deposits, the proceeds should be credited to NRO accounts only. With effect from February 13, 2004, all aspects concerning renewal of overdue deposits may be decided by individual banks subject to their Board laying down a transparent policy in this regard and the customers being notified of the terms and conditions of renewal including interest rates, at the time of acceptance of deposit. The policy should be non-discretionary and non-discriminatory	
10 **231/06-07 DBOD**	Credit Card Statements indicate a minimum Amount due, which is a percentage of the total outstanding due, the Due Date etc. However, when the credit card is suspended/closed, for what ever reason, the credit card customer receives monthly statements which shows the Total Amount due as the Minimum Amount Due. It also does not specify any Due Date for Payment. The Due Date is shown as IMMEDIATE. It has been observed that when the Bank's representatives/agents contact the customer for payment, and the customer is not in a position to pay the entire amount in one go, they (the bank's representatives) verbally specify an amount which they claim to be the Minimum Amount Due. Unfortunately, in the subsequent statement it is noticed that a. Even if the verbally specified Minimum Amount Due is paid	In terms of Master circular on credit card operations of banks dated July 2, 2007, (available on our website www.rbi.org.in at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/78385.pdf), the overall procedure to be adopted has been advised to the banks. as under: a. Card issuers should ensure that there is no delay in dispatching bills and the customer has sufficient number of days (at least one fortnight) for making payment before the interest starts getting charged. b. Card issuers should quote annualized percentage rates (APR) on card products (separately for retail purchase and for cash advance, if different). The method of calculation of APR should be given with a couple of examples for better comprehension. The APR charged and the annual fee should be shown with equal prominence. The late payment charges, including the method of calculation of such charges and the number of days, should be prominently indicated. The manner in which the outstanding unpaid amount will be included for calculation of interest should also be specifically shown with prominence in all monthly statements. Even where the minimum amount indicated to keep the card valid has been paid, it should be indicated in bold letters that the interest will be charged on the amount due after the due date of payment. c. The banks /NBFCs should not levy any charge that was not explicitly indicated to the credit card holder at the time of issue of the card and getting his / her consent. However, this would not be applicable to charges like service taxes, etc. which may subsequently be levied by the Government or any other statutory authority. d. The terms and conditions for payment of credit card dues, including the	Sept 13, 2006.

	and b. Even if the amount is paid soon after the Statement is received, the Bank invariably levies interests and penalties such as LATE PAYMENT FEE Questions i. Is the above procedure in conformity with Rules, Regulations and is it a standard procedure? It not what should be the correct procedure in such cases? ii. In such cases, as cited above, can the bank charge Late payment Fee?	minimum payment due, should be stipulated so as to ensure that there is no negative amortization. e. Changes in charges (other than interest) may be made only with prospective effect giving notice of at least one month. If a credit card holder desires to surrender his credit card on account of any change in credit card charges to his disadvantage, he may be permitted to do so without the bank levying any extra charge for such closure.	
11 **44/2007-08 DBOD**	What is the licensing policy of MNC Banks?	RBI has issued a press release and notification on February 28, 2006 indicating a roadmap for presence of foreign banks. The same has been placed on RBI website www.rbi.org.in. RBI has also issued a Master Circular DBOD.No.BL.BC.16/22.01.001/2007-08 dated July 2, 2007 on the subject. The branch authorization policy for Indian Banks shall also be applicable to foreign banks subject to other conditions laid out in paragraph 19 of this Master Circular.	
12 **67/2007-08 DBOD**	Whether incidental charges for preparing Bank are not uniform for all banks. Are there any guidelines by RBI in this context?	Banks have been given the freedom to fix service charges for banking transactions, which includes incidental charges for issue of bank drafts, with the approval of their Boards. While fixing service charges, they should ensure that the charges are reasonable and not out of line with the average cost of providing these services. In order to ensure transparency, banks are required to display and update on their websites the details of various service charges in a prescribed format. A Working Group constituted by the Reserve Bank to formulate a scheme for ensuring reasonableness of bank charges has in its recommendations identified 'Demand Draft – Issue ' as one of the basic services for levying of service charges in a transparent manner. Based on the recommendations of the Working Group, RBI has issued necessary instructions to the banks vide circular DBOD.DIR.BC.No.56/ 13.03.00/ 2006-07 dated February 2, 2007 (available on our website at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/75608.pdf) on levying of	Aug 13, 2007

		charges for basic banking services.	
13 **RIA 106/ 07-08 DBOD**	Notifications/circulars issued regarding time limit within which all nationalized banks are required to encash Cheques deposited with them and give due credit in the concerned account.	Our instructions on immediate credit of local/outstation cheques, time frame for collection of local outstation instruments and interest payment for delayed collection have been withdrawn and banks have been advised vide our Circular DBOD.No.Leg.BC.55/09.07.005/2004-05 dated November 1, 2004 (available on our website at http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=1997&Mode=0) to formulate a comprehensive and transparent cheque collection policy taking into account their technological capabilities, systems and processes adopted for clearing arrangements for collection through correspondents.	August 7, 2007
14 **RIA 119/ 07-08 DBOD**	Whether justice can be sought in the matters of bank finance and where can a complaint be filed?	To file a complaint in banking service rendered by banks, as per the Banking Ombudsman Scheme 2006, you may approach the Banking Ombudsman of your area. The list of Banking Ombudsman is available on our website www.rbi.org.in at the link http://www.rbi.org.in/commonman/English/Scripts/AgainstBankABO.aspx	Aug 23, 2007
15 **RIA128/ 2007-08 DBOD**	Standard rules for opening of proprietorship firm's account Operation instruction for instruction 'Either or Survivor' What about instructions for payment of interest on renewal of FDRs after due date(after 15 days). What about rates for renewal of FDRs prescribed for as of date or after 15 days or more?	Banks have been advised to follow certain customer identification procedures for opening accounts of customers that are legal persons or entities such as corporates, companies, partnership firms, trusts etc., vide paragraph 3 of the Guidelines on 'Know Your Customer" norms and Anti Money Laundering Measures of circular DBOD.No.AML.BC.58/14.01.001/2004-05 sated November 29, 2004 (on the website at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/64686.pdf). Such operational matters are decided by the banks themselves and therefore, you may refer to banks/Indian Bank's Association in this regard. In terms of paragraph 2.13 of Reserve Bank of India's Master circular on interest rates on Rupee Deposits DBOD.NO.DIR.BC.7/13.03. 00/2007-08 dated July 02, 2007 (which is available on our website), all aspects concerning renewal of overdue deposits may be decided by individual banks subject to their Boards laying down a transparent policy in this regard and the customers being notified of the terms and conditions of renewal including interest rates, at the time of acceptance of deposit. The policy should be non-discretionary and non –discriminatory.	Aug 10, 2007.
16 **RIA 372/**	If a bank acquires an NPA from another bank, what	RBI has prescribed 'Disclosure Requirements' for banks which purchase NPAs from other banks, vide paragraph 7 of Annexure	Sep 18, 2007

07-08 DBOD/ DBS	are the reporting norms stipulated by the RBI for the Assignee Bank (i.e the acquiring bank). What are the RBI guidelines issued to Banks for declaring an Asset as NPA? What are the norms stipulated by the RBI for Assignee banks (i.e acquiring banks) qualified to buy and deal in NPAs? Is there any norm stipulated by the RBI when a public sector bank, like the State Bank of India, wants to sell its NPAs to a private sector bank? What are the norms stipulated by the RBI for the valuation of NPAs when sold as a cluster/basket. What are the norms stipulated to the Assignee Bank (i.e the acquiring bank) of NPAs regarding the subsequent sale of NPAs and how should the profits be treated in their books.	to circular DBOD,BP.BC.16/21.04.048/2005-06 dated July 13, 2005 available at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/64686.pdf . RBI guidelines for classifying an asset as NPA is contained in our Master Circular on 'Prudential Norms on Income Recognitions, Asset Classification and Provisioning Pertaining to the Advances Portfolio' issued vide our circular DBOD. No. BP.BO.12 /21.04.048 / 2007-08 dated July 2, 2007 available at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/78399.pdf The norms for sale/purchase of Non Performing Assets between banks are stipulated in our circular DBOD.No.BP./BC.16/21.04.148/2005-06 dated July 13, 2005 as amended vide our circular DBOD,No.BP.BC.97/21.04.148/2006-07 dated May 16, 2007 and DBOD.No.BP.BC.34/21.04.048/2007-08 dated October 4, 2007, available at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/64686.pdf , http://rbidocs.rbi.org.in/rdocs/notification/PDFs/77377.pdf and http://rbidocs.rbi.org.in/rdocs/notification/PDFs/80478.pdf respectively. You may please refer to paragraph 5(i) of the above circular dated July 13, 2005, regarding the valuation norms. You may please refer to paragraph 6 of the above circular dated July 13, 2005, regarding the valuation norms. You may please refer to paragraph 5 of the above circular regarding the valuation norms. The 'Guidelines on sale of financial assets toSecuritisation Company/ Reconstruction Company (created under Reconstruction of Financial Assets and Enforcement ofSecurity Interest Act, 2002) and related issues issued vide our circular DBOD, NO. BP.BC.96/21.04.048/2002-03 dated April 23, 2003	

	Does the RBI specifically stipulate any requirements and competencies of the NPA acquiring banks. Please provide a copy of such guidelines. All guidelines/instructions/ public notices issued by RBI from time to time regarding various aspects of NPAs and treatment of NPAs after their assignment.	is available at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/35918.pdf. The norms for sale/purchase of non performing Assets between banks are stipulated in our circular, DBOD. No.BP.BC.16/21.04.048/2005-06 dated July 13, 2005, as amended vide our circular DBOD.NO.BP.BC.97/21.04.048/2006-07 dated May 16, 2007, and DBOD.No.BP.BC.34/21.04.048/2007-08 dated October 4, 2007, copies of which are available at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/64686.pdf and http://rbidocs.rbi.org.in/rdocs/notification/PDFs/80478.pdf and Master Circular on 'Prudential Norms on Income Recognitions, Asset Classification and Provisioning Pertaining to the Advances Portfolio' issued vide our circular DBOD.No.BP.BO.12/21.04.048/2007-08 dated July 2, 2007 may be referred at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/78399.pdf	
17 **RIA1495/ 2007-08 DBOD**	"What is the period for encashment of outstation cheque and what is maximum period prescribed by the RBI guidelines? What are the rights of the customer in case the cheque is encashed beyond the prescribed date?"	Banks have been advised by us vide our circular DBOD.No.Leg.BC.55/09.07.005/2004-05 dated November 1, 2004 (copy enclosed) that they may formulate a comprehensive and transparent Cheque Collection Policy taking into account their technological capabilities , systems and processes adopted for clearing arrangements for collection through correspondents. We had issued further instructions to the Indian Bank Association to issue suitable instructions to the banks to incorporate the following points in the cheque collection policy formulated by them:- (i) In respect of cheques lost in transit or in the clearing process or at the paying bank's branch, banks should immediately bring the same to the notice of the account tholder so that the accountholder can inform the drawer to record stop payment and can also take care that other cheques issued by him are not dishonoured due to non-credit of the amount of lost cheques /	March 26, 2008.

		instruments. (ii) The onus of such loss lies with the collecting banker and not with the account holder. (iii) The banks should reimburse the account holder related expenses for obtaining duplicate instruments and also interest for reasonable delays occurred in obtaining the same. (iv) If the cheque / instrument has been lost at the paying bank's branch, the collecting banker should have a right to recover the amount reimbursed to the customer for the loss of the cheque / instrument from the paying banker. Further the Indian Bank Association has issued a circular to the banks in this regard vide No. OPR/Misc.3/107 dated May 6, 2005.	
18 **RIA1576/ 2007-08 DBOD/DBS**	"Whether interest can be charged after NPA?' "Whether interest can be charged after NPA under one Time Settlement Scheme. If yes, what will be the rate of interest and on which amount it will be charged?' "Whether there is any Notification that a bank can make recovery equal to double the capital amount?"	Instructions issued by us in this regard are available in paragraph No. 3 of the Mater Circular DBOD.BP.BC.12/ 21.04.048/ 2007-08 dated July 2, 2007, which is available on our website under 'Notification'. It may be added that the Reserve Bank of India has not issued any circular stating that interest should not be paid after declaration of an account as Non Performing Assets We have no information on rate of interest charged by banks under their own 'One Time Settlement Scheme' as the interest rates have been deregulated by the Reserve Bank of India.	April 8, 2008.
19 **RIA1578/ 2007-08 DBOD/DB**	Under which Sections of RBI Act 1934 and Banking Regulation Act, 1949 are all	The circulars issued by the Reserve Bank of India are either mandatory or advisory, depending upon their tenor content, intent and the provisions under which they are issued. The	April 11, 2008.

S	the circulars/notifications/guidelines of Reserve Bank of India issued?	circulars /directions issued by the Reserve Bank of India may not always contain/mention the provisions under which those are issued. Therefore, in a given case, whether the circular /direction is issued in a mandatory form or otherwise has to be decided on the basis of its content .In some cases , they may be partly mandatory and partly advisory .	
20 **RIA2517/ 2007-08 DBOD**	"What is the policy of Government of India, are there any specific legislative enactments (law / legal provisions) prohibiting discrimination on grounds of sex, caste, religion. By banks in lending-(in India) which banks are required to comply with. If yes, brief detail of the law and date of enactment and your policies and procedures pursuant to the compliance of the same."	We have vide our Circular no. DBOD. Leg No. BC 104/09.07.007/ 2002-03 dated May 5, 2003 – (copy enclosed) issued Guidelines on Fair Practices Code for Lenders, which are required to be framed by banks duly adopted by their Boards. The Guidelines *inter alia* also contain the following paragraphs (i) Lenders must not discriminate on grounds of sex, caste and religion in the matter of lending. However, this does not preclude lenders from participating in credit-linked schemes framed for weaker sections of the society. Further, in terms of paragraph 2.17 of the 'Code of Bank's Commitments to Customers' issued by the Banking Codes and Standards Board of India (BCSBI), which refers to adoption and practice of a non-discriminatory policy, banks should not discriminate on the basis of age, race, gender, marital status, religion or disability. BCSBI is an independent and autonomous watch dog to monitor and ensure that the Banking Codes and Standards adopted by the banks are adhered to in true spirit while delivering their services. The above code is a voluntary Code, which sets minimum standards of banking practices for banks to follow when they are dealing with individual customers. The Code may be accessed on the web site of BCSBI using the URL http://www.bcsbi.org.in/Code_of_Banks.html .	June 16, 2008
21 **RIA 582/05-06 DBS**	Nature and method of processing done by the RBI to applications for empanelment of Auditors– details of such	The Institute of Chartered Accountants of India (ICAI) has been entrusted with the work relating to the preparation of the list of eligible auditors/ audit firms, based on the eligibility norms for empanelment of auditors/ audit firms for appointment as statutory branch auditors in PSBs. The eligibility / categorisation	

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<td>applications. Details of aspects with reference whereof the processing was done.

Please give details of eligibility norms/ categorization norms and other norms, if any, which were applied to the applications for the purpose of selecting bank branch auditors and for the purpose of categorizing them.</td>
<td>norms are:
<table>
<tr><th>Cate-gory</th><th>No. of CAs exclusively associated with the firm (Full time)</th><th>No. of partners exclusively associated with the firm (full time) (Out of 2)</th><th>Profe-ssional staff</th><th>Bank audit experience</th><th>Standing of the audit firm</th></tr>
<tr><td>(1)</td><td>(2)</td><td>(3)</td><td>(4)</td><td>(5)</td><td>(6)</td></tr>
<tr><td>I.</td><td>5</td><td>3</td><td>8</td><td>The firm or at least one of the partners should have a minimum of 8 years experience of branch audit of a nationalised bank and / or of a private sector bank with deposits of not less than Rs.500</td><td>8 years</td></tr>
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						crore.		
		II.	3	2	6	The firm or atleast one of the partners should have preferably conducted branch audit of a nationalised bank or of a private sector bank with deposits not less than Rs.500 crore for atleast 5 years	6 years (for the firm or atleast one partner)	
		III.	2	1	4	The firm or atleast one of the CAs should have preferably conducted branch audit of a	5 years (for the firm or atleast one partner)	

				nationalised bank or of a private sector bank with deposits not less than Rs.500 crore for atleast 3 years	
IV.	2	2 (The proprietary concerns of Chartered Accountants with 1 paid CA, 2 professional staff and not having any statutory branch audit experience of a nationalised bank or of a private sector bank with deposits not less than Rs.500 crore will be treated at par with the partnership firm after deducting their 3 years seniority from the date of their establishment).	2	Not necessary	3 years

PSBs are required to draw the branch audit programme for the statutory audit of the branches every year as per the prescribed procedure.

		After the exclusion of the firms which are to be denied audit during the relevant year, two lists, viz. "continuing – Part A" and "fresh allotment - Part B" of the firms are prepared as per the following procedure: 1. Branch auditors are generally appointed / continued for tenure of 5 years in a bank subject to their firm complying with the eligibility norms during the relevant years. Effective from the year 2006-07, the tenure for branch auditors has been made 4 years. 2. Branch auditors, after completion of their tenure in a bank as detailed above, are either placed under "compulsory rest" or "rotated" depending upon the place of their registration/ operation. 33 centres (listed in the **Attachment 2)** are currently identified as surplus centres where the number of eligible audit firms is more than the number of available vacancies for appointment of branch auditors in PSBs. Audit firms after completion of the tenure as branch auditors in these centres will be placed under "compulsory rest" for a period of two years. Audit firms from centres other than the above mentioned 33 centres will be rotated to other banks. 3. RBI only allots the eligible audit firms to banks depending upon the requirement of branch auditors based on the branch audit programme drawn up by the banks. The allotment of branches for statutory audit to the audit firms is done by the banks themselves. **List of 33 centres being treated as "rested districts" for the pupose of appointment of branch auditors in public sector banks**	

Sr.No.	Name of the District
1.	Kolkata
2.	Ghaziabad

		3.	Delhi	
		4.	Ludhiana	
		5.	Panipat	
		6.	Panchkula	
		7.	Gurgaon	
		8.	Sonipat	
		9.	Faridabad	
		10.	Chandigarh	
		11.	Jaipur	
		12.	Bhilwara	
		13.	Ajmer	
		14.	Bikaner	
		15.	Jodhpur	
		16.	Udaipur	
		17.	Kota	
		18.	Vadodara	
		19.	Surat	
		20.	Ahmedabad	

		<table><tr><td>21.</td><td>Brihan Mumbai</td></tr><tr><td>22.</td><td>Thane</td></tr><tr><td>23.</td><td>Kolhapur</td></tr><tr><td>24.</td><td>Solapur</td></tr><tr><td>25.</td><td>Pune</td></tr><tr><td>26.</td><td>Nagpur</td></tr><tr><td>27.</td><td>Indore</td></tr><tr><td>28.</td><td>Raipur</td></tr><tr><td>29.</td><td>Hyderabad</td></tr><tr><td>30.</td><td>Bangalore</td></tr><tr><td>31.</td><td>Chennai</td></tr><tr><td>32.</td><td>Coimbatore</td></tr><tr><td>33.</td><td>Ernakulam</td></tr></table>	
614/2008-09	What are the new guidelines on maintain minimum balance in savings bank accounts?	Reserve Bank of India has not stipulated any minimum balance to be maintained in savings accounts. Reserve Bank of India has also not stipulated levy of any service charge, if the minimum balance is not maintained in such accounts. Such stipulations are made by individual banks themselves, as per their Board approved policies. Reserve Bank of India has issued necessary instructions advising banks that they should inform their customers regarding the requirement of minimum balance at the time of opening savings accounts and levying of charges etc., if the minimum balance is not maintained. Any change in regard	**October 7, 2008**

	Is it essential to make transactions at an interval of 6 months in a in a savings bank account? Why the account is blocked if there is no transaction after 6 months and what is the legal basis of doing this by the bank? If there is no transaction in an account for more than 6 months a certain amount is deducted from it, what is the legal basis of this and where does the amount is deposited, provide copy of the Government Order	to minimum balance should also be intimated to the account holders by banks at least one month in advance We have advised banks vide our circular no. BC.34 dated August 22, 2008 that a savings as well as current account should be treated as inoperative/ dormant account, if there are no transactions in the account for over a period of two years. In the context of granting greater functional autonomy to banks, operational freedom has been given to banks on all matters pertaining to banking transactions. Accordingly, with effect from September 7, 1999 banks have been given freedom to fix service charges for various types of services rendered by them. While fixing service charges, banks should ensure that the charges are reasonable and not out of line with the average cost of providing these services. In order to ensure transparency, banks have been advised to display and update on their websites the details of various service charges in a prescribed format.	
589/2008-09	Whether a bank can charge money in the name of foreclosure charges in case of prepayment of personal loan if it is being repaid in 14th month when the entire loan is repayable in 36 months? If yes, whether	We have not issued any guidelines regarding foreclosure charges. In the context of granting greater functional autonomy to banks, operational freedom has been given to banks on all matters pertaining to service charges on banking transactions. Accordingly, with effect from September 1999, banks have been given the freedom to fix service charges for various types of services with the approval of their respective Boards. However, banks have been advised that while fixing service charges, they	**October 7, 2008**

	such charges can be 5.62% at O/S Principal?”	should ensure that the charges are reasonable and not out of line with the average cost of providing these services. Further, the management of loan recovery activity in a bank is essentially an internal management function and each bank's Board is authorized to frame suitable policies in this regard.	
269/2008-09	On which date the Credit Information Companies (Regulation) Act, 2005 came into force? Whether Credit Information Bureau (India) Limited, as credit information company, has been granted a certificate of Registration under sub-section (2) of Section 5 of the Credit Information companies (Regulation) Act, 2005? If so, on which date was it registered? Are the banks not duty bound to disclose to its customers when particulars are sought by them about the credit information furnished by it to Credit Information Company?	The Credit Information Companies (Regulation) Act, 2005 (CIC Act) came into force with effect from December 14, 2006. The Reserve Bank of India has not yet granted Certificate of Registration (CoR) to Credit Information Bureau (India) Ltd. (CIBIL) for continuing business of credit information under CIC Act. Their application is pending with Reserve Bank of India. In terms of Section 21 of the Act, a borrower can request for credit information report from credit institution if he/she has applied for a credit facility and it is mandatory for the credit institution to supply him/her with a copy of credit information report.	**September 2, 2008**
1828/08-09 DBOD	Whether the banks may or may not provide any New	There are no RBI guidelines prohibiting a bank from extending any new or additional loan facility to an existing customer having	**February 12, 2009.**

	/Additional Loan Facility to any existing NPA a/c which is in doubtful and /or loss category except rehabilitation scheme.	an existing NPA account. Most credit related matters have been deregulated by RBI. Banks formulate their credit policies keeping in view the overall prudential norms prescribed by RBI and on the basis of their risk appetite. Lending decisions are taken by banks based on their commercial judgment and merits of each case, keeping in view the credit policies approved by their Board of Directors.'.	
RIA 1602DBOD	Details of PLR rate applicable to a commercial bank during December 2005 to 2008. Guidelines issued by RBI for fixing EMI and/or charging the rate of interest by private bank to/from customers/borrowers of housing loan since December 2005. Guidelines issued by the RBI, for adjustment ratio of EMI towards the principal amount and interest amount in respect of Housing Building loan.	Benchmark Prime Lending Rate (BPLR), which is the reference rate for banks for credit limits over Rs.2 lakhs, is decided by the banks themselves with the approval of the respective Boards. Data on banks' BPLR from the quarter ended June 2002 onwards is available on our website www.rbi.org.in under the link "For Bankers-Lending Rates of Banks-Bank wise Data". With effect from October 19, 1994 RBI has deregulated the interest rates on advances above Rs.2 lakh and these interest rates are determined by the banks themselves with the approval of their Boards, subject to Benchmark Prime Lending Rate (BPLR) and Spread guidelines. Individual banks therefore determine interest rates to be charged to a particular borrower subject to BPLR and Spread guidelines. Loans upto Rs.2 lakh carry the prescription of not exceeding the BPLR. However, banks have the freedom to determine the rate of interest, without reference to BPLR and regardless of size in respect of loans for purchase of consumer durables and other non-priority sector personal loans including credit cards dues. Further, the management of loan sanctioning/loan recovery activity in a bank, including fixing of EMI and/or charging of interest rate, is essentially an internal management function and each bank's Board is authorized to frame suitable policies in this regard.	**Feb 4, 2009**
2099/08-	(1)Service charges/	The banks are paid commission of Rs. 60/- for each pension	**March**

09 DBOD	percentage of commission payable to Nationlised Banks for disbursement of monthly pension to Karnataka State Pensioners. Specify whether the above charges / commission is paid by RBI or Government of Karnataka. (2)Are there standing orders**/** circulars etc. for delayed payment of arrears (any kind) payable to pensioners? If so, a copy of the same may kindly be sent. (3) Is there any alternative method / procedure to make entries in the customer's Bank Pass Book in case the computer system goes out of order for a long period?	transaction. Further, agency commission is payable to an agency bank at the full rate provided the transactions are handled by the bank at all stages. Where, however, the work is shared between two banks (i.e. agency bank and Reserve Bank of India/ State Bank of India), the commission is shared between the agency banks and Reserve Bank of India/ State Bank of India in the proportion of 75:25. (ii) The agency commission is paid by Reserve Bank of India and not by Government of Karnataka. Yes, the 'Revised Orders - Payment of Pension through Public Sector Banks in Karnataka' Published by Finance Department, Government of Karnataka, Bangalore deals with delayed payment of arrears (any kind) payable to pensioners. In this context, an extract of para 16.4 (c) of the said orders issued by Government of Karnataka is enclosed. We have not issued any specific guidelines regarding alternative method/procedure to make entries in the customer's bank pass book in case the computer system goes out of order for a long period. However, as per instructions contained in paragraph 5.6.2 (Updating Passbooks) of the Master Circular DBOD. No.Leg.BC.75/09.07.005/2008-09 dated November 3, 2008 on Customer Service, banks have been advised the procedures to be followed wherever passbooks are held back for updating. Further, banks have also been advised to put in place Business Continuity Plans and Disaster Recovery Plans for ensuring uninterrupted services to the customers.	**19, 2009**

Information pertaining to Urban Co-operative Banks

1 **RIA 453/05-**	Norms for classifying borrowal accounts of Urban Co-operative	Norms for classification of borrowal accounts as NPAs is provided in our Master Circular UBD(PCB)Cir.No.1/09.140.00/05-06 dated July 4, 2005	April 21, 2006

06 UBD	Banks as NPAs?	on Income Recognition, Asset Classification and Provisioning, which is available on our website under the title 'Notifications'	
2 **RIA 430/05-06 UBD**	RBI guidelines on merger/ amalgamation of urban co-operative banks (UCBs)?	RBI guidelines on merger/amalgamation of UCBs are available in our circulars No.UBD(PCB)Cir.36/09.169.00/2004-05 dated February 2, 2005, and Circular No. UBD(PCB)Cir.18/09.169.00/2005-06 dated November 22, 2005. These circulars are available on our website at http://rbi.org.in/scripts/NotificationUser.aspx	April 12, 2006
3 **RIA 455/05-06 UBD/ DNBS**	Whether a co-operative bank is registered under SARFAESI Act with Reserve Bank of India as a "Securitisation Company" and/or "Securitisation Creditor"? Whether such a bank can automatically become Securitisation Company/Creditor merely on it being registered as a banking company under Banking Regulation Act, 1949 with Reserve Bank of India? Whether such a bank is required to renew its Certificate every	Co-operative Banks fall within the definition of "secured creditor" under SARFESI Act by virtue of the definition contained in section 2(1)(c)(v) of the Act in view of the notification No. S O.105(E) dated 28th January, 2003 of the Central Government declaring "Co-operative Bank" as defined in clause (cci) of section 5 of Banking Regulation Act, 1949 to be a bank for the purposes of SARFAESI. Section 13 of SARFAESI Act, 2002, authorizes the secured creditors to enforce any security interest created in favour of it by the borrower without the intervention of the Court or Tribunal in accordance with provisions of the Act. As a co-operative bank is not a Securitisation Company, the questions regarding renewal of certificate, appointment of "Authorised Officer", application for registration, etc., would not be relevant. The query as to whether enforcement of security interest by a secured creditor is required to be registered with "Central Registry" is an issue relating to the interpretation of the provisions of the Act and it is not "information" covered under the Right to Information Act. Reserve Bank does not hold information regarding the exercise of powers by the said bank under section 13(4) of the Act. A reference is also drawn to Section 20 of the Act. Such Central Registry	April 21, 2006

	year as contemplated under SARFAESI Act? Whether the bank is required to approve a person to be appointed as "Authorised Officer"? Whether such a person is required to be registered as contemplated under SARFAESI Act?	contemplated under the Act would not be a part of the Reserve Bank. It is also clarified that the Central Government has so far not issued any notification to set-up the Central Registry.	
4 **RIA 456/05-06 UBD**	(i) The validity period of Co-operative Banks' pay order? (ii) Whether co-op banks have the right to withdraw or deposit the amount in customer's saving account without his permission?	(i) Bank's pay order is basically a bankers' cheque and hence valid for six months. (ii) Every bank frames saving bank rules. Deposits/withdrawals into the account (SB Account) are subject to these rules. Banks generally debit SB account with cheque book charges, account maintenance charges, etc.	April 21, 2006
5 **RIA 479/05-06 UBD**	List of names of scheduled urban co-op banks operating in Maharashtra state	The information is available on the website at www.rbi.org.in/scripts/sitemaps.aspx	April 27, 2006
6 **RIA 22/07-08 UBD**	RBI guidelines to Co-operative Banks on premature withdrawal of deposits	Paragraph 8 of the Master Circular no 1 dated July 2, 2007 (on our website at http://www.rbi.org.in/scripts/NotificationUser.aspx?Mode=0&Id=3691) and a Circular UBD(PCB) 78/DC.V.(B) 92-93 dated May 26, 1993 may be referred.	April 26, 2006

Information pertaining to Non-Banking Financial Institutions

1 **RIA 433/05-06 DNBS**	Is it permissible for a non-banking financial company (NBFC) to carry on business without registering with the Reserve Bank of India? If not, and if a NBFC carries on such business, what action would be taken against such a company?	As per Section 45 IA of the Reserve Bank of India Act, 1934, no NBFC shall commence or carry on the business of non-banking financial institution (NBFI) without obtaining certificate of registration (CoR) from the Reserve Bank of India. Business activities to be carried on by such NBFCs are provided under Section 45 I(c) of the RBI Act, 1934. The Reserve Bank of India may take appropriate action against any person (NBFC) contravening the provisions of RBI Act, 1934 and the Directions issued there under.	March 28, 2006
2 **RIA 461/05-06 DNBS**	What are the businesses that a company which is registered as a Residuary Non-Banking Company (RNBC) with RBI can undertake?	A company registered as a RNBC is defined as a non-banking institution, in terms of the Residuary Non-Banking Companies (Reserve Bank) Directions, 1987. RNBCs are companies which receive any deposit under any scheme or arrangement, by whatever name called, in one lumpsum of in installment by way of contributions or subscriptions or by sale of units or certificates or other instruments, or in any other manner and which, according to the definitions contained in the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998, or as the case may be, the Miscellaneous Non-Banking Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1977, is not 1. an equipment leasing company 2. a hire purchase finance company 3. a housing finance company 4. an insurance company	April 25, 2006

		5. an investment company 6. a loan company 7. a mutual benefit company 8. miscellaneous non-banking company, and 9. a mutual benefit company.	
3 **RIA 472, 473/2005-06** **DNBS**	Does law permit a NBFC governed by RBI rules to disburse loan amt by cash/ through bearer cheque	The mode of disbursal of loan amounts by NBFCs is not governed by RBI regulations. As regards the business practices of NBFCs, these are matters of contract between the NBFC and the borrower and therefore the loan transaction between the borrower and NBFC is regulated by the terms and conditions of the contract. Any grievances in this regard can be raised before the appropriate courts (both civil and criminal) including the local Consumer Forums, as you may deem fit. We may also add that no guidelines have been issued by Reserve Bank relating to vehicle financing by NBFCs.	April 25, 2006
4 **RIA 182, /2007-08** **DNBS**	Rules and Regulations to form a Banking and Non Banking Financial Organizations	As far as Non – Banking Financial companies (NBFC) are concerned, as per Section 45 – IA (1) of Reserve Bank of India Act, 1934, no NBFC shall commence or carry on business of a non – banking financial institution without – (a) Obtaining a certificate of registration; and (b) Having the net owned fund (NOF) of rupees twenty - five lakh or such other amount, not exceeding rupees two	August 21, 2007.

		hundred lakh. Currently, an NBFC requires NOF of Rs 200 lakh to be eligible for registration as a non banking financial institution and you may refer to RBI's website, www.rbi.org.in (go to Sitemap>NBFC list>Forms/returns) for other details and specimen application form for certificate of registration to commence / carry on the business of a non- banking financial institution by a company and the requirements to be complied with and documents to be submitted to RBI by NBFCs for obtaining Certificate of Registration from RBI. 3. As regards query about licensing of new bank, at present RBI is not considering any request for opening of new banks in the private sector. As and when RBI considers it necessary to invite applications for opening of new banks in the private sector, a public announcement indicating the detailed norms for setting up a bank will be made. The same will also be made available on the RBI website www.rbi.org.in 4. Banks are regulated by Reserve Bank of India under provisions of the Banking Regulation Act, 1949 and Reserve Bank of India act, 1934.	
5 **RIA 1648, /2007-08 DNBS**	"Does the money lending business under hire purchase require registration / permission from RBI; if yes under what	Granting of License/ permission for money lending activity is under the jurisdiction of concerned State Governments. In case any non-banking financial activity (e.g. hire	April 9, 2008

	provision of law?"	purchase and leasing) is to be undertaken, such activity cannot be commenced or carried on without a Certificate of Registration from RBI as per Section 45 IA of RBI Act, 1934.	

Information pertaining to Financial Market Division

1 **RIA 1124, /2007-08 FMD**	Details of Memorandum of Understanding entered between the Reserve Bank of India and the Ministry of Finance, Govt of India, detailing the rationale and operational modalities of the Market Stabilisation Scheme.	The details are available on our website www.rbi.org.in at http://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=9886	January 31, 2008

Information pertaining to Payment and Settlement Systems

1 **674/2008-09 DPSS**	Time frame prescribed by the Reserve Bank of India to different banks for clearance of local and outstation cheques. Prescription of penalty by the Reserve Bank of India for non-clearance of cheques in the prescribed time frame Definition and explanation of terms 'local' and 'outstation' in the context of cheque	The Reserve Bank of India(RBI) has advised banks to frame their own Cheque Collection Policies (CCPs) in respect of local and outstation cheques which should include explicit mention of time frame for collection of both local and outstation cheques. Banks have been further advised vie our circular DPSS.CO.(CHD)No.873/03.09.01/2008-09 dated November 24, 2008 to modify their CCPs in accordance with orders of the National Consumer Disputes Redressal Commission in the case No.82 of 2006 on	**October 17, 2008**

	clearance by the Reserve Bank of India.	Delays in Cheque Clearing. Accordingly, for local cheques debit and credit shall be given on the same day or at the most the next day of their presentation in clearing. Timeframe for collection of outstation cheques drawn on state capitals/major cities/ other locations should be 7/10/14 days respectively. This timeframe is the outer limit and credit shall be afforded if the process gets completed earlier. If there is any delay in collection beyond the prescribed period, interest at the rate specified in the cheque collection policy of the bank, shall be paid. In case the rate is not spcesified in the CCP, the applicable rate shall be the interest rate on fixed deposits for the corresponding maturity. The link to the CCP of banks has been hosted on our website www.rbi.orb.in. Local cheques are those cheques that are drawn on branches within the jurisdiction of the Local Clearing House. All other cheques would be outstation cheques. However, there are cheques called multicity cheques and at par cheques which are payable in all cities where the drawee bank has a branch irrespective of the city on which it is drawn.	

Information pertaining to Foreign Exchange Department

1 **RIA 422/05-06 FED**	RBI permission for carrying samples while proceeding on	No permission or approval of the Reserve Bank of India is required for carrying samples as baggage, while traveling abroad. However, applicant may	April 9, 2006

	business promotion tours abroad.	check with Customs Authorities regarding applicability of Customs Baggage Rules	
2 **229/06-07** **FED**	1. Eligibility of borrower under Automatic Route of ECB for the purpose of importing capital goods (Fishing Vessels). 2. Whether terms with the lender (Foreign supplier of Equipment) related to debt servicing are in conformity with RBI guidelines. 3. Can any department or Ministry of Government of India other than RBI or Ministry of Finance set additional conditions in this matter? Has RBI delegated any authority to any other Ministry to interfere in this procedure or only RBI is the sole authority in this matter?	Eligibility of borrower is laid down in A.P. (DIR Series) Circular No.5 dated August 1, 2005 which is available on our website www.rbi.org.in at the link http://rbidocs.rbi.org.in/rdocs/notification/PDFs/65065.pdf Terms of debt have to be in conformity with A.P. (DIR Series) Circular No.5 dated August 1, 2005. External Commercial Borrowing (ECB) Policy is framed by Government of India in consultation with Reserve Bank of India. Government of India, Ministry of Finance has delegated authority to administer ECB Policy to Reserve Bank of India. ECB can be raised for end-uses specified in the policy. However, transactions like import are governed by the respective policies e.g. Foreign Trade Policy of the Directorate General of Foreign Trade. In other words, if further approval or permission is required from any other regulatory authority or Govt under the relevant laws/regulations, the applicant should take the necessary approval of the concerned agency before effecting the transaction.	Sept 20, 2006.
3 **378/07-08** **FED**	Whether any permission / approval / registration is required from RBI in case of royalty to a Foreign company by an Indian company in consideration of a Trade mark / Franchise Agreement ? If yes, what are the terms and conditions for the same? Whether there is any notification / regulation governing the payment of royalty to a Foreign	Permission from Reserve Bank of India is not required. The instructions/clarification on purchase of Trademarks for use in India/ payment of Royalty is given in terms of the AP Circular No 14 dated November 28, 2006 and item number 8 of Sch. II to FEM (CAT) Rules, 2000. AP (DIR Series) Circular No. 76 dated February 24, 2004 is placed on our website at the link http://rbidocs.rbi.org.in/rdocs/notification/PDFs/74403.pdf and http://rbidocs.rbi.org.in/rdocs/notification/PDFs/51521.pdf respectively.	Sept 21, 2007

	Company by an Indian Company to acquire the trademark rights of the foreign company? Whether there is any restriction on the payment of royalty to the parent foreign companies and payment of royalty for use of TRADE MARK and brand name / Franchise rights without technology transfer under the automatic route of Reserve Bank of India?		
4 **495/07-08 FED**	RBI guidelines to Indian Residents for purchase of residential property abroad RBI guidelines on whether Banks operating in India are allowed to give Housing loan for such transactions	The revised guidelines are , the Indian Residents can purchase an immovable property outside India up to a ceiling limit of USD 2,00,000 per financial year under Liberalised Remittance Scheme (LRS). In terms of paragraph 4 of A.P.(Dir.Series) circular no.51 dated May 8, 2007, (available on our website at http://rbidocs.rbi.org.in/rdocs/notification/PDFs/77185.pdf) Authorised Dealers (Banks in India) are not allowed to extend any kind of credit facilities to Resident Individuals to facilitate remittances under the LRS.	Oct 5, 2007
5 **RIA 200/07-08 FED**	After returning to India after three years, whether an NRI can maintain, hold and operate the foreign currency accounts, which were opened abroad during his stay abroad Whether such an	As per Sub-section (4) of Section 6 of Foreign Exchange Management Act, 1999, a person resident in India may hold, own, transfer or invest in foreign currency, foreign security or any immovable property situated outside India if such currency, security or property was acquired, held or owned by such person when he was resident outside India or inherited from a person who was resident outside India. As regards holding such foreign account jointly with resident of India, it is not permissible as the pre-condition for opening such foreign account is that the	**May 16, 2008**

	NRI, during his stay abroad for three years, can open a foreign account abroad jointly along with a close relative such as his mother, who is a resident of India. Whether such an NRI person after return to India can transfer and make remittance abroad, from his foreign currency accounts held abroad.	account is opened when the person was resident outside India. Same as (a) above.	
6 **RIA 1450/07-08** **FED**	(a) "Is it essential for a Foreign citizen availing "Home Loan" from any Bank / Commercial Bank within India to obtain a permission / No-Objection Certificate from the Reserve Bank of India?" (b) "What are the other rules / regulations imposed by the Reserve Bank of India for them to avail of Home loans from any Bank	Foreign nationals of non-Indian origin and resident outside India require specific prior approval of the Reserve Bank of India for acquisition of immovable property. Further, it may be mentioned that under the general permission available, the following categories can freely purchase immovable property in India: **i)** Non-Resident Indian (NRI)- that is a citizen of India resident outside India **ii)** A foreign national of Indian Origin or Person of Indian Origin (PIO)- that is an individual (not being a citizen of Pakistan or Bangladesh or Sri Lanka or Afghanistan or China or Iran or Nepal or Bhutan) who ***a.*** at any time, held Indian passport, or ***b.*** who or either of whose father or grandfather was a	

	/commercial Bank within India? (If the citizen under consideration is an Indian Resident)."	citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955). The general permission, however, covers only purchase of residential and commercial property and not for purchase of agricultural land / plantation property / farm house in India. (b) If the applicant is a 'person resident in India' in terms of Section 2 (v) of Foreign Exchange Management Act, 1999, he/she does not require the Reserve Bank of India approval from Foreign Exchange Management Act angle for purchase of immovable property in India. Instructions/guidelines/documentation regarding availing Home loan are decided by the commercial bank granting loan.	
APPEAL 453/ RIA 1873/07-08 FED	" Can a NRI open a foreign account during his stay abroad, initially in his single name and then add his family member's name"	In terms of Regulation 3 of FEMA Notification No.10/2000-RB dated May 3, 2000, no person resident in India shall open or hold or maintain a foreign currency account, provided further that the Reserve Bank of India(RBI) may on an application made to it, permit a person resident in Ida to open or hold or maintain a foreign currency account subject to such terms and conditions as may be considered necessary. Accordingly, the resident in India will have to approach RBI for our specific approval for our opening/holding/maintaining a foreign currency account with a NRI outside India. As such a resident in India requires RBI approval to open a foreign currency account outside India along-with an NRI.	**June 26, 2008**
RIA 2388-07-08 FED	Do banks signing contracts for derivatives trade in	No. Inter bank foreign exchange dealings are permitted freely subject to Board approved policy and limits for treasury functions of which open position	**July 9, 2008.**

	foreign currency with foreign banks, require RBI permission? Are banks authorised to trade in derivative product in foreign currency without having written a derivative contract for Corporate or SMEs? Are Banks to Banks derivatives contracts permitted by RBI without permission? Is it mandatory for banks to inform RBI for the amount hedged in foreign currency in derivative trade written within stipulated period. Is it mandatory to inform about the nature of Derivative product written? Any guidelines issued by RBI for foreign currency derivatives contract	and aggregate gap limits are required to be approved by RBI. Yes. Yes. Inter bank transactions are permitted without Reserve Bank of India permission. No. It is not mandatory to report back to back trades in foreign currency. The guidelines for foreign currency derivative contracts are outlined in the Master Circular 'Risk Management and Inter Bank Dealings" dated July 1, 2008, available on our website: www.rbi.org.in under 'Notification'. However, if you desire to obtain a hard copy of the circular, you may arrange to pay Rs.102/- (Rs.2/- X 52 pages) towards photocopying charges by DD/Bankers' Cheque/PO drawn in favour of Reserve Bank of India(RBI)or deposit cash, at any of the RBI offices. Yes. A corporate /SME may sell/buy foreign currency in respect of a transaction permitted under the Foreign Exchange Management Act, 1999. No. Because Authorised Dealer banks are free to	

	or agreements. Can a Corporate/ SMEs be allowed to enter into agreement for sell of foreign currencies without permission from RBI? Are banks permitted to buy foreign currency from corporate/SMEs? If without any underlying a derivative is written by Indian Banks with Foreign banks, can it be termed Speculative Trade in foreign currencies or not? If any records	undertake forex transactions with banks overseas for adjustment of own position or for initiating trading positions in the overseas markets. Trade by trade transactions are not reported to Reserve Bank of India by the banks. However, the Foreign Turnover Data reported by banks, contains forwards and swaps and is reported on a weekly basis in the Weekly Statistical Supplement which is published on our website: www.rbi.org.in under Publications< Weekly.	

	submitted to RBI by the following banks, relating to Foreign exchange transaction written by them under Derivatives…		
RIA 3307/08-09 FED	Guidelines/ Rules framed by Reserve Bank of India regarding sale of property by the Non-Resident of India at India in lieu of sale consideration and information is required whether N.R.I. Sells his property in India in consideration of money then he require permission of the R.B.I. and also has to pay tax and procedure for taking the sale consideration amount out of India and when sale consideration is above Rs. 10 Lacs.	Non – Resident Indians have been granted general permission under Regulation 3 of Notification No FEMA 21/2000 – RB dated May 3, 2000, for acquisition / transfer of immovable property other than agriculture land, farmhouse, plantation – property in India provided the same is in terms of the aforesaid Regulations. For repatriation / remittance of sale proceeds you may please refer to Regulation 6 of Notification *ibid* read with Notification No FEMA 13/ 2000 – RB dated May 3, 2000. This information is available on our website www.rbi.org.in (Homepage > Notification > FEMA > Notification).	**July 20, 2009**

Information pertaining to Rural Credit, Priority Sector Advances etc.

1	The Reserve Bank	Circular RPCD.PLNFS.No.39/06.02.31/2005-06 dated	April 4, 2006

RIA 408/05-06 RPCD	of India's guidelines on One Time Settlement (OTS) to small and medium enterprises	September 3, 2005, which is available on our website at http://rbi.org.in/scripts/NotificationUser.aspx contains the Reserve Bank of India's guidelines on OTS to SMEs	
2 **RIA 513/05-06 RPCD**	a) What is the maximum rate of interest on agricultural loans that can be charged by the financial institutions under RBI? c) As per the special relief measures announced in the 2004 budget speech of the Hon. Central Finance Minister in respect of peasants affected by natural calamity, it is observed from the website that the loans of the farmers in the drought affected districts can be closed by repaying	a) As per the interest rate policy of RBI, interest rates on loans given by commercial banks have been deregulated, except that the interest rate on loans up to Rs 2 lakh should not exceed the Benchmark Prime Lending Rate (BPLR) of the banks concerned. Commercial banks are, therefore, free to decide their lending rates on loans above Rs.2 lakhs, subject to the announcement of BPLR. Banks are also free to lend at sub-BPLR rates to creditworthy borrowers based on an objective and transparent policy, subject to the approval of their Boards. Banks decide their BPLR by taking into account, inter alia, their cost of funds, transaction cost and risk cost. As regards RRBs and Co-operative Banks, the interest rates on loans have been completely deregulated. c) RBI vide circular dated RPCD.No.Plan.BC.92/ 04.09.01/ 2004-05 dated June 24, 2004.(Copy available on our website www.rbi.org.in under the title 'Notification') had advised all scheduled commercial banks to extend the relief measures.	May 3, 2006

	the balance outstanding in the principal as on 31.3.2001 and amount paid after 31.3.2001 should be deducted from the loan balance. Similarly, those who are not capable of repaying the loan should be given moratorium for two years and the repaying period should be extended by next three years. Are the banks liable for extending the above relief measures to the deserving farmers? If so, it is requested that a copy of the circular issued by RBI in this regard may kindly be forwarded. d) What is meant by the word moratorium as seen in the circular? Do the financial institutions	d) Since moratorium implies postponement of payment of interest and/or repayment of principal/installments, Financial Institutions would not force the loanees for repayment.	

	have permission to force the loanees for repayment of the principal or interest during this moratorium period? e) Is there any One time Settlement Scheme in vogue in respect of defaulters of agricultural loans? If so, details of the same.	e) RBI vide circular RPCD.No.Plan.BC.92/ 04.09.01/ 2004-05 dated June 24,2004 had advised all scheduled commercial banks to implement an OTS Scheme for Small and Marginal Farmers. Moreover, RBI vide its circular RPCD.PLNFS.BC.No. 56/ 06.02.31/ 2005-06 dated December 27, 2005 had advised the scheduled commercial banks (including RRBs and Local Area Banks) to provide a simplified mechanism for one time settlement of loans where the principal amount is equal to or less than Rs.25,000/- and which have become doubtful and loss assets as on September 30, 2005. Copies of the above circulars are available on our website www.rbi.org.in under the title 'Notifications' at http://rbi.org.in/scripts/NotificationUser.aspx?Id=1724&Mode=0 and http://rbi.org.in/scripts/NotificationUser.aspx?Id=2667&Mode=0 respectively.	
3 **RIA 718/05-06 RPCD**	What are RBI guidelines on Education Loan Scheme?	A "New Education Loan Scheme" was formulated by IBA in consultation with the Govt of India and circulated by RBI to all scheduled commercial banks vide circular RPCD.PLNFS.BC.83/06.12.05/2000-01 dated April 28, 2001 for implementation. The circular is available on our website www.rbi.org.in. The Scheme provides broad guidelines to the banks and implementing bank will have the discretion to make changes suiting to the convenience of students/parents etc.	June 21, 2006
4 **RIA 718/05-06 RPCD**	What are RBI guidelines on Education Loan Scheme?	A "New Education Loan Scheme" was formulated by IBA in consultation with the Govt of India and circulated by RBI to all scheduled commercial banks vide circular RPCD.PLNFS.BC.83/06.12.05/2000-01 dated April 28, 2001 for implementation. The circular is available on our website www.rbi.org.in. The Scheme provides broad guidelines to the banks and implementing bank will have the discretion to make changes suiting to the convenience of students/parents etc.	June 21, 2006
5 **1800/08-09 RPCD**	Whether the operation of all unlicensed DCCBs	In terms of Section 22 of the Banking Regulation Act, 1949 (AACS) a co-operative society, which was carrying on business as cooperative bank at the commencement of the Banking	February 27, 2009.

	is within the meaning of the Banking Regulation Act, 1949 (AACS)	Laws (Application to Co-operative Societies) Act, 1965 and applied for license to the Reserve Bank before the expiry of three months from such commencement, can carry on banking business until it is granted a license or is, by a notice in writing, notified by the Reserve Bank that the license cannot be granted to it. All unlicensed DCCBs come under the above category and they are working within the meaning of the Banking Regulation Act, 1949 (AACS).	

Information pertaining to Currency management.

1 **RIA 133/2007-08 DCM**	Are 25 paise and 50 paise coins withdrawn from circulation?	The 25 paise and 50 paise coins are legal tender and are not withdrawn from circulation. They may be validly used/ accepted for all transactions. RBI has issued press release to that effect and has also issued instructions to banks to display at all branches, boards/notices for information of customers/ general public to the effect that all 25 and 50 paise coins continue to be valid/legal tender and may be used for transactions in the normal course.	Aug 22, 2007.
2 **RIA 135/ 2007-08 DCM**	Instructions given by RBI to banks regarding exchange of mutilated notes.	Information on instructions given to banks on exchange of mutilated notes is in our Master Circular- "Facility for exchange of Notes and Coins" available at http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=3671&Mode=0 on our website.	Aug 27, 2007

Information pertaining to Human Resources and Personnel Management

RIA No	Information Sought	<u>Reply given / Information provided</u>	Date of Reply
90/2008-09	Total no of Officers with break-up of Grades(A to F) Total no of Class III	Actual Staff Strength as on June 30, 2008.	**August 20, 2008**

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<td>employees.
Total no of Class IV employees.</td>
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<tr><th>Sr.No</th><th>Class I</th><th>Actual Strength</th></tr>
<tr><td>1</td><td>Senior Officer in Gr.'F'</td><td>99</td></tr>
<tr><td>2</td><td>Senior Officer in Gr.'E'</td><td>231</td></tr>
<tr><td>3</td><td>Senior Officer in Gr.'D'</td><td>353</td></tr>
<tr><td>4</td><td>Officer in Gr.'C'</td><td>860</td></tr>
<tr><td>5</td><td>Officer in Gr.'B'</td><td>1427</td></tr>
<tr><td>6</td><td>Officer in Gr.'A'</td><td>5602</td></tr>
<tr><td>7</td><td>Treasurer in Gr.'C'</td><td>18</td></tr>
<tr><td>8</td><td>Dy.Treasurer in Gr.'B'</td><td>58</td></tr>
<tr><td>9</td><td>Asstt.Treasurer in Gr.'A'</td><td>245</td></tr>
<tr><td></td><td>Total</td><td>8893</td></tr>
<tr><td></td><td>Class III</td><td></td></tr>
<tr><td>10</td><td>Total in Class III</td><td>4987</td></tr>
<tr><td></td><td>Class IV</td><td></td></tr>
<tr><td>11</td><td>Total in Class IV</td><td>7346</td></tr>
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Information pertaining to Department of Currency Management

RIA No	Information Sought	<u>Reply given / Information provided</u>	Date of Reply
RIA 2439/2007-08	What are the different forms and value of Rupee accepted as per Indian law? When does an in-use rupee form become invalid or not acceptable? is there any Govt order that describes an invalid form of rupee? Is a torn/damaged rupee note valid?	Bank note/ coins are legal tender in payment or on account as indicated below: (i) Banknote of any denomination and coin of any denomination not lower than a rupee for any sum. (ii) In case of a half rupee coin for any sum not exceeding 10 rupees. (iii) In the case of any other coin for any sum not exceeding one rupee. The Central Government may, by notification in the gazette, declare that with effect from such date as may be specified, any series of bank notes of any denomination shall cease to be legal tender. Further, no person shall of right be entitled to recover from the Government or the Reserve Bank of India, the value of any lost, stolen, mutilated or imperfect currency note of Government of India or banknote. The value of imperfect / mutilated note may be refunded as a matter of grace subject to conditions and limitations. Soiled bank notes (i.e. notes which have become dirty and due to excessive use or double numbered banknote cut into two pieces but on which both the numbers are intact) can be exchanged for	**July 25, 2008**

	What damage will make rupee note invalid (eg complete torn apart note ,half torn note etc. ? What are various options available for one to follow to make an invalid rupee note valid.	full value at Reserve Bank of India or any commercial bank branch. The public can get value of mutilated notes (i.e. notes which are torn,disfigured, burnt, washed, eaten by white ants etc.) as a matter of grace, as laid down in the RBI Note Refund Rules 1975 (as amended up to 1980) after adjudication. Currently, provisions exist for payment of full, half or no value as far as bank notes of Rs.10 and above are concerned. As regards Re.1/-, Rs.2/-, and Rs.5/- notes, the tenderer can get either full or no value depending upon the condition of the note. Mutilated notes can be tendered at Reserve Bank of India Offices/designated bank branches. The following types of banknotes are not eligible for payment under RBI Note Refund Rules, 1975 (as amended up to 1980) A banknote which is • less than half the area of the full note. • devoid of the major portion of the number on an undivided area i.e. the prefix and three digits or four digits of the number in banknotes up to and inclusive of Rs.5/- in respect of banknotes of Rs.10/- and above where this inadequacy is present at both the numbering	

		panels. • Cancelled by any office of Reserve Bank of India or against which the value has already been paid. • found to be forged / counterfeit. • Deliberately cut or tampered, carrying extrinsic words or visible representation intended to convey or capable of conveying any message of a political character Notes can be exchanged / tendered for adjudication over the counters of Reserve Bank of India Offices/designated bank branches. Mutilated notes can be sent by post for adjudication to the nearest Issue Office of Reserve Bank of India.	