

RBI / NBFC CIRCULAR
CA Abhijit Sanzgiri, CA. Sanjay Khemani

Date	Circular	Description
15.12.2021	Draft Master Circular for operational risk	Draft guidelines placed
14.12.2021	Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs) - RBI/2021-22/139 DoS.CO.PPG.SEC.7/11.01.005/2021-22	To put in place a PCA Framework for NBFCs to further strengthen the supervisory tools applicable to NBFCs. The PCA Framework for NBFCs, as contained in the enclosed Annex, comes into effect from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022.
10.12.2021	Section 24 of the Banking Regulation Act, 1949 – Maintenance of Statutory Liquidity Ratio (SLR) – Marginal Standing Facility (MSF) - return to the normal dispensation - RBI/2021-22/138 DOR.RET.REC.73/12.01.001/2021-22	The MSF facility, which was initially available up to June 30, 2020, was later extended up to December 31, 2021. Banks will be able to dip into the Statutory Liquidity Ratio (SLR) up to two percent of NDTL instead of three percent for overnight borrowing under the MSF with effect from January 1, 2022.
08.12.2021	Introduction of Legal Entity Identifier for Cross-border Transactions - RBI/2021-22/137 A.P. (DIR Series) Circular No. 20	The Legal Entity Identifier (LEI) is a 20-digit number used to uniquely identify parties to financial transactions worldwide to improve quality & accuracy of financial data systems. AD Category I banks, w.e.f. 1.10.2022 shall obtain LEI number from resident entities (non-individuals) undertaking capital or current account transactions of ₹ 50 crore & above (per transaction) under FEMA, 1999. Entities can obtain LEI from any of the Local Operating Units (LOUs) accredited by GLEIF. In India, LEI can be obtained from Legal Entity Identifier India Ltd.
08.12.2021	General permission for infusion of capital in overseas branches and subsidiaries and retention/repatriation/ transfer of profits in these centres by banks incorporated in India - RBI/2021-22/136 DOR.CAP.REC.No.72/21.06.201/2021-22	Prior RBI approval for capital infusion/ transfers (including retention/ repatriation of profits), not required by banks meeting regulatory capital requirements (including capital buffers). Instead, banks shall seek approval of their boards for the same. Banks not meeting minimum regulatory capital requirements are only required to seek prior RBI approval
16th Nov 2021	Withdrawal of redundant circulars by RRA	Various circulars stated in annexure which are redundant are withdrawn