

# **The Bank of India Officers' Association (Mumbai & Goa Unit)**

Dear Comrades,

Till date more than **1100 users** have been registered for the Mock test and all have successfully appeared for their Mock Tests without any hitches.

We take this opportunity to thank all our comrades, well wishers in general who have ensured percolating of this mock test across the nation and **our Federation GS Com Sunil Kumarji and GM HR Shri Ashok Pathakji** in particular for effective dissemination and their best wishes showered upon our Unit for making available Mock Tests for all the promotion aspirants.

Promotion exams will be conducted tomorrow i.e. 09<sup>th</sup> January 2022 and we are sure all of our aspirants are armed to the teeth for promotion exam.

While extending our good wishes to all aspirants, we feel your performance will certainly prove your struggle worth and will strengthen your motive to excel ahead in career. If there are any people who are left out they can still appear for the Mock Test till tonight.

We have additionally uploaded on our Website last minute revision material Titled "**Promotion Notes 2022**" for all, which is compiled by our **Com.Santosh Kumar** who has prepared effective notes in the past as well.

Once again wishing you all very good luck to ace the test!!

Yours Comradely,

**Com.Nilesh Pawar,**  
**General Secretary,**  
**BOIOA Mumbai & Goa Unit**



## BANK OF INDIA – PROMOTION EXAM 2022

The promotion exam is around the corner. Hence, it becomes important to not only start studying but to study smartly to optimize your performance. Keeping the same in mind and based on previous years exam paper & analysis of the questions asked in the past, We have given below the areas covered in the exam with questions asked from each section.

### Areas of Topics questions to be asked in exam:

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**BANKING AND FINANCIAL SECTOR DEVELOPMENT:** During the year 2020-21, the banking industry witnessed a higher deposits growth but a subdued advances growth. The deposits registered a growth of 11.4% and advances 5.6% against a growth of 7.9% in deposits and 6.1% in advances during 2019-20. The financial performance of banking sector improved during 2020-21 with better NIM and most of the PSBs, barring a few, posted net profits for the full year. The Gross NPAs and Net NPAs witnessed reduction, both in terms of amount and percentage. The capital adequacy ratio of PSBs also improved, with capital support from the government and raising of capital by banks, mainly in the form of Tier-I bonds. Among others, the regulatory relaxation by RBI and supportive measures under **Aatmanirbhar Bharat Abhiyan** boosted the performance of banking sector during the year.

To mitigate the economic difficulties arising out of the virus outbreak, the Government of India has announced “**Aatmanirbhar Bharat**”, package which stood at Rs 20,97,053 Cr, included the Rs 1.92 lakh crore stimulus from measures announced in Pradhan Mantri Garib Kalyan Package worth 1.7 lakh crores.

The Government of India, in order to mitigate distress and support growth announced a series of stimulus measures aiming at economically weaker sections as also for various sectors viz. MSMEs Sector, PCGS for NBFCs, PMSVANidhi for street vendors, Schemes for promoting Agri infra, animal husbandry and fisheries etc., NBFCs and Corporate sectors. Notable among them are: Pradhan Matri Garib Kalyan Yojana, measures under



Aatmanirbhar Bharat Abhiyan i.e. Emergency Credit Line Guarantee Scheme (ECLGS), Subordinate debt scheme for MSME sector, Production Linked Incentive (PLI) to select industries, financing of Agriculture infrastructure projects and financing for development of animal husbandry, fisheries, micro food enterprises, etc.

**ECLGS:** Our Bank has opened 277969 number of accounts under **ECLGS (1.0,2.0,3.0 & 4.0) schemes** and disbursed Rs. 5,598.72 crores as on 30 Sep 2021.

**PM SWANidhi schemes:** Our Bank has opened 182902 number of accounts under **PM SWANidhi schemes** and total disbursed Rs. 160.27 crores as on 30 Sep 2021.

**Health Care Units under MSME segment (Star Arogyam & Star Sanjeevani) schemes:** Our Bank has opened 279 number of accounts under **Health Care Units under MSME segment (Star Arogyam & Star Sanjeevani) schemes** and disbursed Rs. 148.50 crores as on 30 Sep 2021.

**DOMESTIC ECONOMIC SCENARIO:** On the domestic front, data released by the National Statistical Office (NSO) on November 30, 2021 showed that real gross domestic product (GDP) expanded by 8.4 per cent year-on-year (y-o-y) in Q2:2021-22, following a growth of 20.1 per cent during Q1:2021-22. With the recovery gaining momentum, all constituents of aggregate demand entered the expansion zone, with exports and imports markedly exceeding their pre-COVID-19 levels. The projection for real GDP growth is retained at 9.5 per cent in 2021-22 consisting of 6.6 per cent in Q3; and 6.0 per cent in Q4:2021-22. According to the figures issued by the Union ministry of statistics and Programme implementation, the gross domestic product (GDP) at constant prices in Q2 2021-22, is estimated at Rs. 35.73 lakh crore, as against Rs.32.97 lakh crore in q2 2020-21, showing a growth of 8.4 % as compared to the 7.4 % contraction in this quarter a year ago. India's foreign exchange reserves increased by US\$ 58.9 billion in 2021-22 (up to December 3, 2021) to US\$ 635.9 billion.

The overall GDP growth rate for the year 2020-21 is estimated at (-) 7.3% against 4.0% for 2019-20. Out of the eight specified economic sectors, only 'Agriculture & allied' and 'Electricity, gas & water supply' recorded positive growth and all others showed negative growth with the 'trade, hotels, transport, communication services' recording the highest contraction of 18.2%. Fiscal Deficit for 2020-21 stood at Rs.18.21 lakh crore or 9.30% of GDP against the Revised Budget estimate of 9.5% and originally envisaged budget estimate of 3.5%, primarily because of higher Government expenses in the areas of health care and stimulus packages undertaken for economic revival.

**SEVERAL MEASURES INITIATED BY REGULATOR TO OVERCOME ECONOMIC STRESS:** Several policy changes were introduced by RBI such as Large Exposure Framework (LEF) prescribing norms for banks' exposure on counterparties, linking of rate of interest on retail and MSME segments to external benchmarking of loans, **Long Term Repo Operations (LTRO)** and **Targeted Long Term Repo Operations (TLTRO)** to provide durable liquidity and to facilitate monetary transmission. To lessen the adverse impact of Covid-19 pandemic and alleviate macro-economic stress, several monetary and regulatory measures were declared by RBI in March 2020. Apart from reduction in repo rate and CRR, moratorium on term loan instalment and deferment of repayment of interest up to three months (which was later extended for six months i.e. 01.03.2020 to 31.08.2020) were granted with effect from March 1, 2020 and re-assessment of working capital limit in case of fall in drawing power was allowed. Several factors, such as RBI's open market operation, US\$ 5 billion buy/ sell swap auction, forex operations of RBI, reduction in SLR.



Some of other measures initiated by RBI are deferring Indian Accounting Standards norms by one year, allowing six months moratorium to specified categories of MSME, on overdue payments, removing limits stipulated for MSME sector for inclusion in priority sector, allowing banks to spread over MTM provisions over four quarters which have lessened the impact of stress on banking sectors. In terms of RBI's revised guidelines, stressed accounts with credit limit of Rs. 5 crores and above are reported to RBI on weekly basis. The stock audit is applicable mostly for standard advance accounts having working capital exposure of Rs. 5 crores and above. Bank is conducting specialized audit in advances accounts having credit exposure of Rs.250 crores and above, wherein our Bank is leader in consortium finance or our Bank is sole banker.

**Large exposure framework:** The RBI's Large Exposure Framework (LEF) regulations for banks came into effect from April 2019, finalizing a draft framework introduced in December 2016, as part of India's implementation of global Basel 3 norms in the domestic banking system. The LEF's principal objective is to reduce counterparty concentration risk in the banking system by defining a limit (25% of Tier 1 capital) on the amount a bank can lend to any single counterparty or group of connected counterparties.

RBI's prudential exposure norms for bank's exposure to a single borrower and a borrower group was restricted to 15% and 40% of capital funds respectively. A comprehensive policy framework on the subject is consolidated in the Master circular -Exposure Norms. The Reserve Bank has decided to suitably adopt BCBS (**Basel committee on Banking Services**) standards for banks in India and, accordingly, the instructions on banks' large Exposure (LE) are decided on Group and solo Level.

**Single Counterparty limit:** The sum of all exposures values of a bank to a single counterparty must not be higher than 20% of the bank's available eligible capital base at all times.

**Group of Connected Counterparties:** The sum of all the exposure values of a bank to a group of connected counterparties must not be higher than 25% of bank's available eligible capital.

**Long Term Repo Operations (LTROs):** The Reserve Bank had announced **Long Term Repo Operations (LTROs)** for one-year and three-year tenors and operational guidelines for the same, The LTROs will be conducted on a fixed-rate basis and the rate will remain fixed for the tenor of the operation. The interest will be compounded on an annual basis. The interest payment will have to be made upon maturity of LTRO, i.e. on the reversal date. A market participant can place bids of amount less than or equal to the notified amount. RBI may reject all the bids of the participant if the total bid amount submitted by the participant exceeds the notified amount.

**RBI ALLOWS BANKS TO REVERSE LTRO TRANSACTIONS:** RBI has said that the banks can exercise the option of reversing Longterm Repo Operations (LTRO) transactions whereby they availed themselves of funds between February 17, 2020 and March 18, 2020 through a repayment exercise which will be spread over five days, beginning September 14. RBI infused liquidity aggregating Rs.1,25,117 Crore by conducting five LTRO transactions between February 17 to March 18, 2020 at the then prevailing policy Repo rate of 5.15% in a bid to improve monetary policy transmission. By exercising the option of reversing LTRO





transactions before maturity, banks can reduce their cost of funds as the policy Repo rate has come down to 4%.

## FINANCIAL RESULTS OF BANK OF INDIA FOR YEAR ENDED (Standalone)

Parameter (Figure in Crores)	31 March 2019 (Year Ended)	31 March 2020 (Year Ended)	31 March 2021 Year Ended	30 JUNE 2021 (Quarter Ended)	30 SEPT 2021 (Quarter Ended)
<b>Global Business Mix</b>	903,723	972,026	103,7549	<b>103,8083</b>	<b>1031856</b>
<b>Total Deposits</b>	520,862	555,505	627,113	<b>623,385</b>	<b>612961</b>
<b>Gross Advances</b>	382,860	416,521	410,436	<b>414,697</b>	<b>418895</b>
<b>CASA Deposits</b>	181,765	197,751	224,669	<b>235,980</b>	<b>232797</b>
<b>CASA Ratio (%)</b>	43.36%	41.50%	41.27%	<b>43.22 %</b>	<b>43.11%</b>
<b>Priority Sector Advances</b>	130,494	126,371	138,935	<b>139,151</b>	<b>143090</b>
<b>Agriculture (Excluding RIDF)</b>	50,338	52,184	55,698	<b>56,230</b>	<b>61886</b>
<b>MSME Advances</b>	54,595	56,092	63,237	<b>63,469</b>	<b>64984</b>
<b>Retail Advances</b>	56,492	60,834	68,058	<b>68,116</b>	<b>70887</b>
<b>RAM</b>	161,425	169,110	186,993	<b>187,815</b>	<b>197757</b>
<b>Gross NPA</b>	60,661	61,550	56,535	<b>56,042</b>	<b>50,270</b>
<b>Gross NPA (%)</b>	15.84%	14.78%	13.77%	<b>13.51</b>	<b>12.00%</b>
<b>Net NPA</b>	19,119	14,320	12,262	<b>12,424</b>	<b>10576</b>
<b>Net NPA (%)</b>	5.61%	3.88%	3.35%	<b>3.35 %</b>	<b>2.79%</b>
<b>Provision Coverage Ratio</b>	76.95%	83.74%	86.24%	<b>86.17 %</b>	<b>87.81%</b>
<b>Total Capital Tier I &amp; II (CRAR)</b>	43,404.00	38,538.00	44,990.00	<b>45,203.00</b>	<b>50485.00</b>
<b>Total Assets</b>	6,25,222.84	6,56,995.48	7,25,856.45	<b>720,501.94</b>	<b>7,06,487.24</b>
<b>Risk Weighted Assets (RWAs)</b>	305,953	294,189	301,305.00	<b>299,931</b>	<b>296127.00</b>
<b>Capital Adequacy Basel III (%) Inc CCB</b>	14.19 %	13.10 %	14.93 %	<b>15.07 %</b>	<b>17.05 %</b>
<b>Operating Profit</b>	8,092	11,519.00	10,872.00	<b>2806.21</b>	<b>2677.60</b>
<b>Operating Expenses</b>	10,224.35	10,451.00	10,839.11	<b>2715.22</b>	<b>2982.16</b>
<b>Provisions (other than tax) and Contingencies</b>	16,805.62	16,121.37	7635.50	<b>1709.12</b>	<b>893.80</b>
<b>Total Profit / Loss before Tax (PBT)</b>	-8,713.41	-4,602.73	3,236.72	<b>1097.09</b>	<b>1784.00</b>
<b>Net Profit/Loss (PAT)</b>	-5546.90	-2,956.89	2,160.30	<b>720.00</b>	<b>1050.98</b>



Interest Income	40,767.81	42,353.26	40,599.44	9321.31	9522.31
Interest Expended	27,110.14	27,096.29	26,329.60	6176.70	5998.83
Net Interest Income	13,657.67	15,256.97	14,270.00	3144.61	3523.48
Non-Interest Income	4,658.89	6,713.07	7,441.00	2376.82	2136.28
Total Income	45,426.70	49,066.33	48,040.93	11,698.13	11658.59
Total Expenditure	37,334.49	37,547.69	37,168.71	8891.92	8980.99

## Financial summary of September 30 2021 (FY 2021-22)

- Global Business of the Bank reached to **Rs. 10,31,856 Crore** as on Sept 30, 2021.
- Overall Domestic Business of the Bank reached at **Rs. 9,14,307 Crore** as on Sept 30, 2021.
- The overseas business stood at **Rs. 1,17,549** Crore on Sept 30, 2021.
- BOI Global Deposits stood at **Rs. 6,12,961** Crore as on Sept 30, 2021.
- Bank's Global Gross Advances increased to **Rs. 4,18,895 crores** as on Sept 30, 2021.
- Total Domestic deposits of the Bank stood at **Rs. 5,45,734 Crore** and Overseas Deposits is Rs. 67,227 Crores as on Sept 30, 2021.
- Gross Domestic Advances of the Bank stood at **Rs. 3,68,573 Crore** and Overseas advances Rs. 50,322 crores as on Sept 30, 2021.
- CASA deposits Stood at **Rs. 2,32,797** Crore as on Sept 30, 2021.
- CASA Deposits (Domestic) is 43.11 % as on Sept 30, 2021.
- The Current Deposits is **Rs. 27,737 Crore** as on Sept 30, 2021.
- The Saving Deposits is **Rs. 2,05,060 Crore** as on Sept 30, 2021.
- The **RAM Advances (Retail, Agriculture and MSME)** increased to **Rs. 1,97,757 crore** as on Sept 30, 2021 and its share in Advances (Domestic) stood at 53.65 % in Sept 30, 2021.
- The **RAM + Government Guaranteed Advances** increased to **Rs. 2,46,334 crore** as on Sept 30, 2021 and their share in Advances (Domestic) stood at 66.83 % in Sept 30, 2021.
- The **Agriculture (Excluding RIDF)** Credit stood at **Rs. 61,886 crore** in Sept 30, 2021.
- The **MSME credit** stood at **Rs. 64,984 crore** in Sept 30, 2021.
- The **Retail Credit** stood at **Rs. 70,887 crore** in Sept 30, 2021.
- **Priority Sector advances** stood at **Rs. 1,43,090 crore** which constitutes 41.27 % of ANBC.
- **Agriculture advances** were **Rs. 61,886 crore** forming 17.85 % of ANBC as on Sept 30, 2021.

### **OVERSEAS BUSINESS:**

- Overseas business (Foreign) has stood at **Rs. 1,17,549 Crore** as on Sept 30, 2021.
- Gross Foreign Deposits has registered a negative growth and stood at **Rs. 67,227 Crore** as on Sept 30, 2021.
- Gross Foreign Advances has registered a negative growth and stood at **Rs. 50,322 Crore** as on Sept 30, 2021.

### **ASSET QUALITY:**

- Gross NPAs stood at **Rs. 50,270 crore & Gross NPA ratio improved to 12 % as on Sept 30, 2021.**
- The Bank's **Net NPA** stood at Rs. 10,576 crore & **Net NPA ratio contained at 2.79 % as on Sept 30, 2021.**



- **Bank Provision coverage ratio is 87.81 % as on Sept 30, 2021.**

#### **PROFIT – Sept Quarter 2021:**

- The Interest Income is **Rs.9,522.31 crore** and Interest Expended is **Rs.5998.83 crore** and **Net Interest Income is Rs. 3523.48 Crores** in Sept 30, 2021.
- The Non-Interest Income stood at **Rs. 2136.28 Crores** in Sept 30, 2021.
- The Bank's Operating Profit stood at **Rs. 2677.60 Crores** in Sept 30, 2021.
- **The Net Profit (PAT) of the Bank stood at Rs. 1050.98 Crores** as on Sept 30, 2021. • **Total Profit / Loss before Tax (PBT) is 1784 crores** as on Sep 30, 2021.
- Total Provisions before Tax **Rs.894 crores** as on Sep 30, 2021.

#### **CAPITAL ADEQUACY: Sept Quarter 2021:**

- As per Basel III framework, the Bank's Capital Adequacy Ratio was 17.05 %
- Basel III For Tier I Capital is Rs.41,110 Crores as Sept 30, 2021.
- Basel III For Tier II Capital is Rs.9,375 Crore as Sept 30, 2021.
- **Total Capital (CRAR) is Rs. 50,485 Crores** as Sept 30, 2021.
- The Tier-I Capital stood at 13.88 % and Tier -II Capital at 3.17 % as on Sep 30 2021.
- Total Assets of Bank stood at Rs. 7,06,487.24 crores as on Sept 30, 2021.
- The **Risk Weighted Assets (RWAs) stood at Rs.2,96,127 crore in Sept 30, 2021.**

#### **FINANCIAL RATIOS: Sept Quarter 2021:**

- **Net Interest Margin NIM (Global)** is 2.42 % and Similarly, NIM (Domestic) is 2.65 % in Sept 30, 2021.
- **Yield on Advances (Global)** improved to 7.01 % in Sept 30, 2021.
- **Cost to Income ratio** annual (Global) is 52.69 % in Sept 30, 2021.
- **Cost Of Deposits (Global)** is 3.75 %.
- **Base Rate:** Our Bank's Base Rate has been revised from 9.00% pa. to **8.80 % pa. effective from 01.10.2020.**
- **MLCR-** Marginal Cost of fund based Lending Rates is 7.25 % w.e.f 01-12-2021 (1 year MCLR).
- **RBLR Rate:** 6.85 % w.e.f 01-06-2020.

**OUR BANK OF INDIA:** One of the top five public sector banks in terms of assets and deposits. Before elaborating on the initiatives and performance, let me highlight two notable achievements of our Bank. Our Bank came out of PCA with effect from January 31, 2019, with the help of capital support from the Government of India and the Bank's persistent drive towards NPA resolution. Our Bank has been out of PCA during the shortest possible time. Secondly, during the year, the Bank raised Rs. 500.42 crore of capital from the employees through ESPS, with participation by 94.70 % of employees. It is the highest amount raised through ESPS by any public sector bank. This has helped in augmenting the Bank's capital





by ₹ 660.80 crore. Under this scheme the Bank has allotted 6,25,52,188 new equity shares having face value of Rs. 10/- each at a discount of 24.28% on the floor price of Rs. 105.64 per share i.e. at an offer price of Rs. 80/- each. The year also saw the consolidation of PSU Banks, with the merger of BOB, Vijaya Bank and Dena Bank, which created fourth largest Bank in Indian Banking space.

One of the far reaching developments during FY 2019-20 has been merger of 10 PSBs into 4 merged entities in order to create large, stronger, globally competitive new age banks.

One of the important developments, has been the Supreme Court's squashing of RBI Notification dated 12th February, 2018, which mandated resolution of stressed accounts within 180 days failing which they were to be referred to the NCLT to be dealt under IBC. With expected resolutions of large accounts which are being dealt with under IBC, the financial position will further strengthen in FY 2019-20. However, NPA resolution through Insolvency & Bankruptcy Code/NCLT is yet to concretize in certain large account cases. Filing up application with NCLT, pursuing other Bank where we are not leader.

In respect of RBI referred **NCLT accounts (RBI List 1 & 2)**, as on 30th September 2021 the Parent bank holds 100% provision of the outstanding value of Rs. 2,085.23 and Rs. 2,093.48 crores respectively. Resolution under NCLT (IBC) Total o/s of Rs. 33,814.59 crore have been referred to NCLT against which our BOI has exposure of Rs. 5454.33 crore as on 30<sup>th</sup> September 2021. The Insolvency and Bankruptcy Code (IBC) bridged an important institutional gap to strengthen the much-needed credit discipline. Total provision of NCLT accounts are 91 % i.e Rs. 30,875.62 crores.

Our Bank (BOI) has raised capital Additional **Tier 1 (First Tranche)** of Rs. 750 crores on dated 31-01-2021 and Our Bank (BOI) has raised capital Additional **Tier 1 (Second Tranche)** of Rs. 602 crores on dated 30-03-2021.

Government of India **GOI has infused capital of Rs. 3000 crores** in our BOI on dated 31-03-2021. Our Bank (BOI) has raised **capital of Rs. 2550 crores through QIP-** Qualified Institution Placement on dated 31-08-2021. Our Bank (BOI) has raised capital **Tier 2 Bonds of Rs. 1800 crores** on dated 30-09-2021.

**Cabinet approves incentive scheme** of Rs 1300 crore for digital transactions through RuPay Debit Card, BHIM UPI of small amounts in the coming one year.

Cabinet has cleared the production-linked incentive scheme (PLI) for semiconductors. The scheme envisages an investment of Rs. 76,000.00 crore will be spent on this project in 6 years. **RBI allows payments banks** and small finance banks to conduct government business.

**BOI founded on 07 September 1906** by a group of eminent businessmen from Mumbai. Bank's first Corporate office at Oriental Building, Fort-Mumbai. In 1950, Bank shifted its Corporate office to Mahatma Gandhi Road, Fort-Mumbai. In 2003, Our Bank launched its state of the Art Corporate office at Bandra Kurla Complex (BKC), Mumbai. The Bank was under private ownership and control till **July 1969** when it was **nationalized along with 13 other banks**, then CMD was **Shri Tribhuvandas Damodardas Kansara**. Beginning with one office in Mumbai, with a **paid-up capital of Rs.50 lakh and 50 employees**, the Bank has made a rapid growth over the years and blossomed into a mighty institution with a strong national presence and sizable international operations. Bank **founder member total 10 person** including Sir Sassoon David. BOI Headquarters is in Mumbai (Bandra East).





BOI has been the first among the **nationalized banks to establish a fully computerized branch and ATM facility at the Mahalaxmi Branch at Mumbai way bank in 1989**. BOI was the first Indian bank to open a branch outside the country i.e. in London in 1946. BOI was the first Indian bank to open a branch in Japan- Tokyo branch in 1950. BOI was the first foreign bank in Continental Europe to open a branch in – Paris branch in 1974. The Father of the Nation (Mahatma Gandhi) maintained an account with our Poona Main branch since January 1944.

Bank of India Museum is situated at Fort, M G Road, Mumbai. BOI in 1921 entered into an agreement with the Bombay Stock Exchange (BSE) to manage its clearing house.

The Bank came out with its **maiden public issue in 1997** and follow on Qualified Institutions Placement in February 2008. Our Bank is also a **Founder Member of SWIFT in India**. It pioneered the introduction of the **Health Code System in 1982**, for evaluating/ rating its credit portfolio.

Our Emblem: BOI STAR- Mother India signifies Bank's continuous consciousness of the legacy of Bank's National past. Star with 5 prongs was added in the year 1962, which represents presence and service in 5 continents. STAR is the guiding star to those in need.

#### BOI Founder Members:

1.	Sir Sassoon David	6.	Mr. Khetsey Khiasey
2.	Mr. Ratanjee Dadabhoy Tata	7.	Mr. Ramnarain Hurnundrai
3.	Mr. Gordhandas Khattau	8.	Mr. Jenarrayen Hindoomull Dani
4.	Sir Cowasjee Jehangir, 1st Baronet	9.	Mr. Noordin Ebrahim Noordin
5.	Sir Lalubhai Samaldas	10.	Mr. Shapurji Broacha

#### Staff Training Centres: Total 7 Number of Training Centres of our Bank.

1.	Mumbai- MDI Belapur	4.	Bhopal	7.	Pune.
2.	Noida-STC	5.	Chennai		
3.	Kolkata	6.	Goa		

#### VISION, STRATEGY AND FUTURE OUTLOOK:

Expand the Bank's retail, agriculture and MSME lending profile by leveraging its existing customer base.

Continue to contain funding cost by sourcing low cost deposits such as CASA.

Focus on improving asset quality and containing NPA levels.

Leverage technology to increase cross selling opportunities, reduce cost and enhance customer experience.

Improving our risk management systems to ensure long-term sustainability of our business.

**Board of Directors:** The Bank is constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 as amended from time to time. The general



superintendence, direction and management of the affairs and business of the Bank is vested in the Board of Directors presided over by the Chairman. On 14th August, 2020, the Chairman has vacated the office on completion of his term. Presently Chairman's post is vacant. During the year under review (2020-21) the Composition of the Board was as under. **Shri G Padmanabhan was the Chairman** (appointed as Non-executive Chairman of Bank of India on 14th August, 2015 for a period of five years. BOI Previous **Managing Director & CEO – Mr. Dinabandhu Mohapatra** (2017-19).

## PROFESSIONAL AND EXPERIENCED BOARD:

1	<b>Shri Atanu Kumar Das</b>	<b>Managing Director &amp; CEO</b> (From 20.01.2020)
2	<b>Shri. P. R. Rajagopal</b>	<b>Executive Director</b> of Bank of India with effect from 18th March 2020
3	<b>Shri Swarup Dasgupta</b>	<b>Executive Director</b> of Bank of India with effect from 10th March 2021
4	<b>Shri M Karthikeyan</b>	<b>Executive Director</b> of Bank of India with effect from 10th March 2021
5	<b>Ms. Monika Kalia</b>	<b>Executive Director</b> of Bank of India with effect from 10th March 2021
6	<b>Ms. Vandita Kaul</b>	<b>Government Nominee Director</b>
7	<b>Shri Subrata Das</b>	<b>RBI Nominee Director</b>
8	<b>Ms Veni Thapar</b>	<b>Shareholder Director</b>
9	<b>Shri P.N. Prasad</b>	<b>Shareholder Director</b>
10	<b>Shri L N Rath</b>	<b>Chief Vigilance Officer (CVO)</b>
11	<b>Shri Amitabh Banerjee</b>	<b>General Manager Nodal Officer for Grievance Redressal /BCSBI compliance officer of the Bank (Code Compliance Officers)</b> The zonal manager of each zone is the code compliance officer.
12	<b>Shri. Abhijit Bose</b>	<b>Our Chief Compliance Officer (GM)</b>

Independent External Monitor (IEM) : IEM-1 Shri P.K. Dash IAS Retired.  
IEM-2 Shri Salil Kumar Jha, Ex MD HAL.



<b>Shareholding Pattern</b>	Government of India 81.41%	Life Insurance Co. 7.05 %
	Indian Public 5.12 %	Others: 6.41 %

Bank Of India has **59 Zones** across in India and these all are distributed among **Eight (10) NBG** National Banking groups. **Largest Zone-** Hyderabad, **Smallest Zone-** Dehradun.

**National Banking Groups (NBG) offices of our Bank:**

<b>1</b>	South NBG	<b>6</b>	Central NBG
<b>2</b>	West-I NBG	<b>7</b>	East NBG
<b>3</b>	West –II NBG	<b>8</b>	Jharkhand & Chhattisgarh
<b>4</b>	North-I NBG	<b>9</b>	<b>NBG-Bihar</b>
<b>5</b>	North-II NBG	<b>10</b>	<b>NBG-MP &amp; Chhattisgarh</b>

Our HO Retail Banking Department: As per prevailing business potentials divided **59 zones** into following groups and retail business achieved data is duly published, with NBG wise performance to boost, energize, motivate and support the field level staff:

A). **Elite Group** B). **Challengers Group** C). **Rising Stars Group** D). **Warriors Group.**

**BRANCH NETWORK & EXPANSION:** Bank has a geographically well spread branch network in India and abroad. Presently Bank has overseas presence in 18 foreign countries spread over 5 continents – with 45 offices abroad which includes 23 own branches, 1 representative office and 4 Subsidiaries (20 branches) and 1 joint venture which keep Bank’s presence felt in all times Zones and important financial centers of the globe at key banking and financial centres viz., Tokyo, Singapore, Hong Kong, London, Paris, New York and DIFC Dubai. Bank has 5084 branches in India as on 31.03.2021. During the year 2020-21, Bank has opened 1 new branch.

**Composition of Bank’s Branch Network is as under-**

<b>Category</b>	<b>31.03.2021 Number of Branch</b>
Metropolitan	991
Urban	812
Semi-Urban	1453
Rural	1828
Total Domestic Branches	5084 Branches
Overseas	23
<b>Total Branches</b>	<b>5107</b>

Our Bank has opened its first branch in Union Territory of Ladakh on 22 Oct 2021. This is 5086<sup>th</sup> branch of the our bank.

**Large Corporate Banking Branches:** Total 10 Large Corporate Branches of our BOI.

**Centralised Processing Centres:** For expansion of **RAM Business/advances** (Retail, Agriculture and MSME) and reducing dependence on Corporate credit, avoiding



concentration risk and conserving capital, **additional 11 Retail Business Centres (RBCs) and 28 new SME City Centres** opened. Now, the Bank is having **57 Agricultural Banking Centres, 73 Retail Business Centres and 90 MSME processing City Centres**, which would be further expanded during FY 2020-21. To speed up the process of credit facilities to MSME sectors, our Bank has decided that MSME loan proposals above Rs 10 lakh will be processed/ sanctioned at SME City Centers.

Selected as an “**Authorized bank for Yen credit transaction by GOI-MOF**” for Yen credit transaction Synergizing of MCB with LCB and Branches to reduce the Operational Cost.

**Rationalization of Domestic and Overseas branches as well as ATM** for reduction of operating cost and increase in profitability.

**INTERNATIONAL:** The Bank has 24 Overseas Branches (23 operational), 1 Representative Office at Jakarta (Indonesia), 4 Subsidiaries, 1 Associate/Joint Venture spread across 19 countries of all time zones. The contribution of foreign operations in Bank's global business mix has been 11.96% as on 31.03.2021.

#### **Overseas Subsidiaries and Associates:**

- PT Bank of India Indonesia Tbk
- Bank of India (Tanzania) Ltd
- Bank of India (New Zealand) Ltd
- Bank of India (Uganda) Ltd
- Indo-Zambia Bank Ltd. (IZB) - Joint Venture During the year, the Bank has closed its representative offices at Beijing, merged Kowloon Branch with Hong Kong, and closed Kisumu Branch in Kenya.

During the quarter ended Dec 31, 2019 Bank has sold its overseas subsidiary i.e. **Bank of India (Botswana) Ltd.** For which consideration received is Rs. 14.64 Crore. The remaining cost of investment of Rs. 19.18 crore is fully provided.

Bank has closed its representative offices at Myanmar and Dubai. During last year bank has closed its Manchester (merged with Birmingham), East Ham (merged with London) and Jersey Branch.

#### **Bank's Subsidiaries/ Alliances/ Joint ventures:**

##### **Subsidiaries:**

- BOI Shareholding Limited
- BOI AXA Investment Managers Private Limited.
- BOI AXA Trustee Services Private Limited.
- BOI Merchant Bankers Limited.
- PT Bank of India Indonesia TBK
- Bank of India (Tanzania) ltd Dar-es-Salaam
- Bank of India (New Zealand) Limited
- Bank of India (Uganda) Limited

##### **Associates:**





- Madhya Pradesh Gramin Bank
- Vidharbha Konkan Gramin Bank
- Aryavart Bank
- Indo Zambia bank Limited
- Securities Trading Corporation of India Ltd – BOI is 29.95% stakeholder
- ASREC India Ltd – bank holds 26.02% stake.

#### Joint Ventures:

- Star Union Dai-ichi Life Insurance Company Limited.
- CIBIL – Formed in August 2000 for priority credit information and risk analysis. Bank holds 5% stake.

**REGIONAL RURAL BANKS:** Post amalgamation, we are sponsoring 3 RRBs, **Aryavart Bank (AB)**- in Uttar Pradesh, **Madhya Pradesh Gramin Bank (MPGB)** in Madhya Pradesh and **Vidharbha Konkan Gramin Bank (VKGB)** in Maharashtra state, covering 82 districts with a network of 2554 branches as on 31.03.2021. All these sponsored RRBs are managed by the Chairmen deputed from Bank of India and the performances are being monitored by General Manager FI & RRB (Div.) from Head Office. All three RRBs Branches and Administrative offices are on CBS platform with system generated report facility. These RRBs are enabled on RTGS, NEFT and ATM platform. They have a combined business mix of Rs. 85,824 crore as on 31.03.2021.

DFS, Ministry of Finance, Department of Financial Service affected amalgamation of following Regional Rural Banks w.e.f. April 1 2019:

**“Narmada Jhabua Gramin Bank”** (Sponsor Bank being Bank of India) with “Central Madhya Pradesh Gramin Bank”(sponsor bank being Central Bank of India) to form **“Madhya Pradesh Gramin Bank”** (Sponsor bank being Bank Of India).

**“Gramin Bank of Aryavart”** (sponsor Bank being Bank of India) with “Allahabad UP Gramin Bank “(sponsor Bank being Allahabad Bank) to form **“Aryavart Bank”** (sponsor Bank being Bank Of India).

**“Vaanchal Gramin Bank”** (Sponsor Bank being State Bank of India) with “Jharkhand Gramin Bank” sponsor Bank being Bank Of India) to form **“Jharkhand Rajya Gramin Bank”** (sponsor Bank being State Bank Of India).

#### FOREIGN BUSINESS:

Bank's key priority areas include meeting trade finance and forex requirements of exporters and importers. Bank has 196 Authorized Dealer Branches Pan India. These Branches handle foreign exchange business and cater to the need of exporters and importers. Bank also has correspondent banking relationship with 247 banks across the globe.

**TREASURY:** Forex Business: The Treasury manages the foreign exchange business of the bank, providing hedging solutions to the customers through forwards, options and swaps. Apart from having Centralized Treasury at Mumbai, the Bank has 4 satellite dealing rooms situated at New Delhi, Ahmedabad, Chennai and Kolkata and one centralized back office in



Gift city(Ahmedabad) so as to provide better services to the customers. During the financial year 2020-21, Merchant and interbank turnover was Rs. 1.38 lakh crore and Rs. 49.78 lakh crore respectively. The aggregate turnover of Bank's forex business during the year was Rs. 51.16 lakh crore. The treasury actively participates in trading in Currency Futures and is one of the leading banks in all the exchanges. During the Financial Year 2020-21, Bank's Turnover in Currency Futures was USD 73.08 Bn. Bank has been conferred various awards for Currency Futures business. The Bank was awarded "**TOP VOLUME PERFORMER**" by BSE for Best Performance in Currency Derivatives Segment (Banks) 2020-21 and Top performer in MCX in currency derivative segment amongst all bank.

**Treasury Operations & Investments:** Bank continued to play an active role in all segments of the market – Money market, Forex, Bonds and Derivatives in 2020-21. Bank has maintained a higher level of investments by holding SLR investments in excess of the regulatory requirement of 18.00% of NDTL from time to time to utilize excess SLR for borrowing from Repo/TREPS windows. As on 31.03.2021 the gross SLR investments were Rs. 141,117 crore (75.92% of total investments) and Non-SLR investments stood at Rs. 44,760 crores (24.08% of total investments). The Non- SLR investments also includes Recapitalization Bonds of Rs. 24,699 crore. The treasury dynamically managed its investment portfolio and brought down M-Duration of SLR AFS portfolio from 1.51 as on 31.03.2020 to 1.22 as on 31.03.2021.

#### **CUSTOMER EXCELLENCE BRANCH BANKING:**

Bank is a member of the **Banking Codes and Standards Board of India (BCSBI)** since its inception in 2006. The Bank has a full-fledged Call Centre located at two centres viz. **Airoli (Navi Mumbai) and Begumpet (Hyderabad)** providing 24x7x365 assistance to the customers / non customers. Various Policies such as Customer Rights Policy, Customer Acceptance, Customer Care and Customer Severance Policy and Grievance Redressal Policy all these policies are placed on public domain. We have appointed Internal Ombudsman as per the RBI guidelines to review the wholly/ partly rejected complaints and give decision.

Our Bank is committed to provide Customer Service of a high order in a transparent manner. Our Bank undertakes customer meetings on a regular basis to get the feedback of customers so as to enable the Bank to take appropriate decision on different banking products offered by the Bank.

#### **The Bank has taken several initiatives during the year to enhance Customer service:**

- a). Customer Satisfaction Survey is conducted by Third party PAN India for the feedback and suggestions from the customers for our various products and services. We have received the overall satisfaction rating 7.74 on the scale of 10, where 10 is on higher side.
- b). It is also made mandatory for all the front line staff/ officers to attend such training at least once in a year.
- c). To speed up the complaints relating to the failed ATM/ POS transactions, we have incorporated the Digital Complaint Stream in our OCRM module.
- d). We have also included Feedback system in our Operational Customer Relationship Management (OCRM) to analyze the level of Customer Satisfaction in their grievance redressal.



## **BANK'S DOMESTIC SUBSIDIARY/ASSOCIATES/JOINT VENTURES:**

**BOI SHAREHOLDING LIMITED (BOISL):** Bank has investment of Rs.6.64 crore in BOISL, a 100% subsidiary of the Bank. BOISL acts as Depository Participant (DP) of both the Depositories, National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) was promoted in 1997 by BSE and Bank of India along with other banks. Bank holds 5.57% stake. The Company also undertakes collection of Broker Turnover Stamp Duty on behalf of Government of Maharashtra, Gujarat, New Delhi, Tamil Nadu, Telangana, West Bengal, Haryana, Karnataka and Uttar Pradesh.

## **BOI AXA INVESTMENT MANAGERS PVT. LTD. (BAIM) & BOI AXA TRUSTEE**

**SERVICES PVT. LTD (BATS):** These subsidiaries are in the business of Mutual Fund and Investment Advisory Services under SEBI Investment Advisor Regulations. Bank of India is holding 52.29% Stake in BAIM and 51% stake in BATS with Investment of Rs.66.48 crore.

**BOI MERCHANT BANKERS LIMITED (BOIMBL):** BOI Merchant Bankers Limited was promoted on 31.10.2014 to undertake merchant banking business including arranging of Syndicated Loans, Bonds and Debentures. It is a wholly owned subsidiary of the Bank with paid up capital of Rs.10 crore.

**STCI FINANCE LIMITED:** Established in 1994, STCI Finance Ltd., acts as a non deposit taking NBFC. Bank of India with 29.96% holding (Investment of Rs. 130.10 Cr.) is the largest stakeholder in STCI, with a Paid up Capital of Rs.380 crore. STCI Primary Dealer Ltd. (STCIPD) is a wholly owned subsidiary of STCI Finance Limited. STCIPD commenced its operations from 25th June 2007 and is one of the leading primary dealers in the country.

**STAR UNION DAI-ICHI LIFE INSURANCE COMPANY LTD. (SUDLIFE):** Bank of India, Union Bank of India and Dai-Ichi Life International Holdings, Japan have formed "Star Union Dai-Ichi Life Insurance Company" to provide life insurance services to its clients. The company commenced insurance business in February 2009. BOI holds 28.96% (Investment of Rs. 75 crore), UBI holds 25.10%, and Dai-Ichi Life International Holdings holds 45.94% stake of the Company.

**INVESTMENT / ALLIANCES :** ASREC (India) Ltd. was floated by the Specified Undertaking of the Unit Trust of India (SUUTI) to undertake securitization and asset reconstruction activities. Bank holds 26.02% stake (Investment of Rs. 27.60 crore), in the equity capital of the company of Rs. 98 crore.

**National Collateral Management Services Ltd. (NCML)** is promoted by the National Commodity and Derivatives Exchange Ltd. (NCDEX). It was incorporated on 28.09.2004 to promote and provide collateral management services for securing, managing and controlling securities and commodities. Bank holds stake of 2.34% in the equity capital of the company with Investment of Rs. 3 crore.

**SWIFT India Domestic Service Pvt. Ltd.** a joint venture company promoted by SWIFT and 9 major Banks including Bank of India. SWIFT is holding 55 % equity and remaining 45% is held by 9 major Banks. Bank of India has an equity stake of 3.26% in the company with Rs.





7.71 crore Investment. The SWIFT System is used for a Financial Transactions Transmissions.

**Acuite Ratings & Research Limited** (Earlier SME Rating Agency of India Ltd. (SMERA)) was set up during FY 2005- 06 by SIDBI in association with Dun & Bradstreet, one of the leading providers of commercial data and analytics. The Company's objective is to provide comprehensive, transparent and reliable ratings which would facilitate greater and easy flow of credit to SME sector. Bank holds a stake of 1.88% in the equity capital with investment of Rs. 0.28 crore. Our Bank holds 4% stake.

**Other Strategic Investments:** Bank also has strategic investments in CERSAI (Rs. 2.15 crore), U.V. Asset Reconstruction Co. Ltd. (Rs. 0.15 crore) Clearing Corporation of India (Rs. 0.50 crore), Agricultural Finance Corporation Ltd. (Rs. 1.26 crore), SIDBI (Rs.45.30 crore), Central Ware Housing Corporation Ltd. (Rs. 1.11 crore), Loss Data Consortium CORDEX (Rs. 1 crore), SBIDFHI (Rs. 5.54 crore), NPCI (Rs.10 crore), MCX Stock Exchange Ltd. (Rs. 27.50 crore), CSC e-Governance services India Ltd. (Rs. 1 crore), Invent Assets Securitization and Reconstruction Pvt. Ltd. (Rs. 10 crore).

### THIRD PARTY PRODUCTS DIVISION:

**Life Insurance:** Bank is having its Corporate Agency arrangement with Bank's Joint Venture life Insurance Company i.e. Star Union Dai-ichi Life Insurance Co. Ltd. for distributing life insurance products. Bank has 9067 IRDAI certified Specified Person placed at various branches across India. Besides distributing various life insurance products of SUD Life, we also market/distribute optional Life Insurance cover to Bank's Retail Home loan and Education Loan borrowers under Group Insurance Policy at a competitive premium. Bank has collected life insurance premium of Rs. 1,396.67 crore thus earned commission income of Rs. 77.64 crore for the FY 20-21.

**General Insurance:** Bank has tie up arrangement with two general insurance companies i.e. The New India Assurance Co. Ltd. and Reliance General Insurance Co. Ltd to distribute their products. We also have a co-branded health insurance product "Reliance BOI Swasthya Bima" which is a Family Floater policy available for Bank of India account holders at a competitive premium. Bank has collected General Insurance premium of Rs.153.60 crore thus earned commission income of Rs.21.26 crore for the FY 20-21. Our Bank's campaign "UDAAN" is related with **Reliance General Insurance Co. Ltd. & period 15 Nov to 31 Dec 2021.**

**Standalone Health Insurance:** Bank has tie-up arrangement with Star Health & Allied Insurance Co. Ltd. under Standalone Health Insurance category. Bank has collected Health Insurance premium of Rs. 38.52 crore thus earned commission income of Rs. 5.25 crore for the FY 20-21. Star Group Health Insurance Policy-Gold" For existing BOI National Swasthya Bima Policy Holders.

**Mutual Funds Products:** Bank continues to be a shop for all financial needs for our customers. We have basket of financial products which also consists of 10 Asset Management Companies including BOI AXA Mutual Fund, our own joint venture company





for distribution of their mutual fund products. Bank has earned a commission of Rs. 3.14 crore from Mutual Fund business during FY 20-21.

### “MACAD (Motor Accidental Claimant Annuity Deposit)”

Under the directions of Hon'ble High Court of Delhi directions and as advised by IBA, we have formulated a New Product named “MACAD (Motor Accidental Claimant Annuity Deposit)” and “MACT SB A/c (Motor Accidental Claims Tribunal SB A/c). The Product has been formulated for disbursement of compensation to the victims of the Road Accidents. This New Product has in-built Term deposit known as “MACAD” and SB A/c known as “MACT Claims SB A/c”. The features of these New Products are as under:- One time lump sum amount, as decided by the Court / Tribunal, deposited to receive the same in Equated Monthly Installments (EMIs), comprising a part of the principal amount as well as interest.

**GROUP HEALTH INSURANCE POLICY** for employees for the year 2020-21 issued by NATIONAL INSURANCE COMPANY LIMITED. Sum insured for Critical illness for Employees only and Rs. \_\_\_\_\_ sum insured for Group Health insurance on Family Floater basis. Policy No 251100812110002291 (Policy period 01 Oct 2021 to 30 Sep 2022).

**Raksha Insurance TPA Pvt. Ltd:** All BOI serving staffs may kindly note that TPA for medical insurance has been changed from Safeway Insurance to Raksha TPA.

**BUSINESS PROCESS RE-ENGINEERING:** BPR Department works on improving the existing systems and processes in the Bank and on other aspects of change management that include the organizational structure, products, & policies. The major customer centric initiatives taken during 2020-21 are:

**Project works/initiatives during FY (2020-21):** • Creation of Two NBGs and Four New zones: Two new NBGs, **NBG-Bihar and NBG-MP & Chhattisgarh** and four new zones namely, Nasik, Jabalpur, Madurai and Sambalpur zones are created to garner potential business opportunities, facilitate smooth functioning, better monitoring and customer outreach. Policy document on guidelines for Restructuring of Organizational Structure: Policy has been made for robust growth in terms of overall business, better control on Zones /branches and better customer service.

• **Set up of new Departments:** Foreign Business Department, MIS department and Digital Banking Department were created for better customer service and quick redressals of customer query/complaints by Branches.

• **Star Paramarsh** – Staff Suggestion Scheme to have firsthand operational/practical suggestions from the field: We have expanded the scheme to cover all ideas & suggestions of staff given at all fora, including at conferences, conclaves, & training centers, for operational efficiency & service effectiveness. Suggestions received during the year: 469, Selected for implementation: 19, Awarded prizes: 1.

• **BOI Star NRI Shield:** Prepared new deposit schemes called NRE TDR Plus and FCNR (B) plus for NRI customers which can attract NRI deposits by combining FCNR scheme with forward cover for better yield on maturity. End value of the deposit is known to the customer upfront at the time of opting the product scheme.



• **Rationalization of Service Charges:** Our service charges have been rationalized in order to make it customer friendly and cheaper compared to others in the industry.

• **Centralization of SWIFT** as per RBI guidelines with our Bank: Centralized SWIFT operation having link with FINACLE is underway to avoid fraud & provide better, smooth and reliable services to our customers.

**US Dollar Cheque Collection system:** System that envisages centralization of US\$ cheque collection through Global Remittance Center - BKC, and automation of the process through CTS. It reduces courier charges and transit time, thus resulting in higher customer satisfaction.

**FCNR (B) Deposit, Diamond Dollar & RFC Accounts:** Simplified and streamlined procedures with only 2 link branches Mumbai NRI & Mumbai Overseas for smooth functioning, auto reconciliation and better customer experience. Centralized SWIFT operation having link with FINACLE is underway to avoid fraud & provide better, smooth and reliable services to our customers.

**STARPARIVAR@112:** Going forward in harnessing the power of social media platform, Bank had started a closed **Facebook group** titled StarParivar@112 for all serving employees of the Bank on the eve of 112<sup>th</sup> foundation Day of the Bank. The platform has been very successful and widely appreciated by the staff members.

Under **Star Eklavya** Programme, (where retired Executives provide their services and share their experiences with the participants) regular training of staff at their place of work is being imparted for upgradation of skill on continuous basis.

**“Project Connect:** Concept of Area Managers & Star Prime Vertical created with dedicated manpower, mapped to limited branches for activation and monitoring of business at grass root level and prevention of poaching of good accounts by other banks. It is implemented for being more customer focused and for business development, recovery, digitization at ground level and re-activation of branches. **(NOs) AMOs** clusters formed PAN India by grouping contiguous branches up to scale III with each headed by scale IV/V officers & supported by **Panch Pandav** (Team of 5 officers). Sampark” with posting of Area Managers at the grass root level to take care of business development and assets quality and concept of “Star Prime” for all prime clients.

**Star Prime Set up/** Vertical for Prime Clients Care – Star Prime Vertical has been created with a GM at HO. 6 CREs at identified NSGs & a score of RSMs at Zonal level. 48% of domestic business is generated by scale IV/V branches to provide appropriate care of prime clientele. Focus on Govt. Guaranteed Accounts and scouting Most Desirable Accounts (MDA) for enhancing quality advances. **“Mission Rocket”** launched to activate all the Scale-IV & V headed branches.

**Mission Samadhan:** Stressed Asset Management Vertical was created to have focused attention on NPAs and Stressed Assets. Recovery Policies modified for sale of Assets to ARCs and Special Non-discretionary/ Non-discriminatory and Non-discretionary OTS Schemes, namely "Star Sanjeevani" and "BOI OTS 2020" were reviewed and re-launched for quick resolution of NPAs.

**‘Star Mahashakti’:** The Project "Star Mahashakti", i.e. the upgradation of technology platform to Finacle 10 is in final stage and will be rolled out during 2021-22. 2orm is being instituted



for providing our customers an end-to-end digital journey in lending process, apart from enabling the Bank to widen customer outreach through improved MIS system and data analytics.

**System TIN 2.0** Successfully completed all test scenarios for new tax collection system TIN 2.0 which is soon going to be launched by CBDT, Dept. of Revenue, MoF.

**Co-lending tie-up with MAS Financial Services** has been initiated successfully.

**Cheque Deposit Kiosks:** Bank has deployed Kiosks for providing facility to the customers to deposit cheques in the self-operated kiosks without intervention of bank staff.

**e-PLATFORM Solution:** System Integrator is appointed by the Bank through RFP process to implement & maintain e-PLATFORM solution for Straight Through Origination and Processing of all Banking Products (Assets & Liability products) including third party products. The broad scope of work is as under –

- New Customer Relation Management – Lead Mgmt, Campaign Mgmt, Complaint Mgmt, 360 degree view of customer , Service Mgmt.
- Loan Processing Life cycle Management System.
- Digital Marketing,

**Implementation of Straight Through Processing (STP) for Banks Assets & Liability and Third Part products Enhanced Access and Services Excellence (EASE):** For improvement of EASE score and digital transformation , various activities such as Analytical based and technology base Retails and MSME credit offers is required to be carried out. MIS has Implemented following requirements of EASE 3.0

- Activation of digital lead initiation channels: SMS, Missed Call, Call Center, Web-site, Mobile Banking
- Analytics based lead generation implemented for :
  - Retail – Home Loan Top-Up Loan
  - Retail – Pre-Closed TD
  - Retail - Home Loan Takeover
  - Retail - Personal Loan to Salaried Customers
  - MSME – Pre-Approved Business Loan to MSME Customers.

**“STAR DIGI”** branches with high end digitalized services for tech savvy customers. 254 Select Branches have been converted to Star Digi Branches having customer Services Representatives for meeting the demands of Next Gen Customers. These branches gradually would be made Iconic branches representing Customer Services Excellence. (through revamp of previous BOTF project) for unique customer experience, increase of retail business, & spread of digital banking.

**Star Points:** For tapping business potential where the Bank has no branches, Business Correspondent based outlets called **Star Points** have been opened. So far, **1919 Star points** have been opened for expanding our outreach. Focus on Digitization and Alternate Delivery Channels





Activation of Growth Centers through Business Correspondents (BCs) called “Star Points” for expanding our outreach.

‘Amantran’ special ASA campaigns ‘Amartran’ were organized with special focus on ‘Gabhi’ accounts. (Government, Associations/Clubs/Societies, Business clients HNIs/NRIs and institutions. Megh Malhar campaign is for CASA & GABHI accounts.

“**Capital Light**” advances: Focus of our Bank on “Capital Light” advances i.e. accounts with rating “A” & above/Govt. Guaranteed advances/Gold Loans/Retail Loans.

**Strategy for re-balancing** of portfolio in favour of RAM advances (Retail, Agriculture and MSME) and reducing exposure to Corporate sector. End to end digitization of Retail, Agri and MSME loan process is in progress. Digital Document Execution rolled out, with Retail Loan process made automatic by e-signing and e-stamping. Additional specialized credit processing centres for Retail, MSME and Agriculture advances being opened for improvement in credit quality as well as TAT.

**Lead generation system upgraded** with activation of leads through all Digital channels viz. missed call, SMS, mobile banking, website, call center and also introduction of Analytics based offers to Retail and MSME clients.

“**Swarna Dhara**” for larger penetration of the bank into the Gold Loan segment. Similarly, separate 255 **Gold Loan** cells formed in all Zones within the existing infrastructure to increase RAM business. For improving Turn Around Time, your Bank is already having specialized processing centres for Agriculture, Retail and MSME credit.

**Gold Loan:** Gold loans registered incremental growth of Rs. 4,257 crore (YTD growth of 62.39%) during FY20-21 and stands at Rs. 11,079 crore as on 31.03.2021. Gold loans under agriculture increased by Rs. 3,779 crore (YTD growth of 71.39%) during FY20-21 and stand at Rs. 9,072 crore as on 31.03.21.

**Self Help Groups (SHGs):** Bank has customer base of 5.42 lakh Self Help Groups (SHGs) as on 31.03.2021 of which 1.96 lakh SHGs are credit linked including 1.61 lakh women SHGs as on 31.03.2021. Bank has introduced Dual Biometric authentication for offsite transactions, financial and Data Digitalization for monitoring of SHGs.

**KCC Saturation:** During year 20-21 we have added 2.27 lakh new KCC customer under KCC Saturation Campaign.

**Saving Bank Deposit Interest:** Interest shall be paid on SB Deposits at the rate of Interest i.e 2.90 % w.e.f. 01/10/2020. Interest is **calculated on daily products** and will be credited in the SB A/c on **quarterly basis in the months of May, August, November and February**, respectively every year or at the time of closing of the SB A/c subject to minimum ₹1/- . Quarterly interest payment is effective from May 2016 and is invariably credited on regular basis in SB account irrespective of the operational status of the account.

**On boarded the Contactless Platform (psbloansin59minutes.com) GST based Financing to MSME Borrowers- SIDBI:** psbloansin59minutes.com is an online marketplace to cater to various financial aspirations of individuals and businesses in a simple, quick and hassle-free way. The initiative aims at automation and digitization of various processes of





Business Loan (Term Loan, Working Capital Loan and Mudra Loan) and Retail Loans (Personal Loan, Home Loan and Auto Loan) in such a way that a borrower gets an In-principle approval letter in less than 59 minutes. The Platform is currently being used by more than 25 Public & Private Sector Banks and NBFCs. The borrower has been given the flexibility to choose lender.

**Bank's Medium term and long term strategy:**

- Presently Bank has identified the following priority areas for achieving its medium and long term Goals.
- More focus on NPA Management and Credit Monitoring
- Increase in Low cost Deposit/CASA through improvement in Customer Service
- Rebalancing Assets Portfolio in favour of retail lending.
- Monetization Non-Core Assets & Curtailing Operational expenses.

**AGRICULTURE FINANCE: Priority Sector Advances:** The bank is serving to the priority and agriculture sectors, through its network of rural and semi-urban branches. During FY 2020-21, we have revamped Agriculture Banking Centers (ABCs) structure as **Star Krishi Vikas Kendra (SKVK)**. Presently **77 SKVKs** are functional (including merger of 6 SKVKs). In addition to this, **48 Agri Desks** are operationalized in SME City centres and zones have formulated **280 Agri** Clusters with RDO (Rural Development Officer) for focused & quality growth in agriculture portfolio including Agriculture Infrastructure and Food & Agro business. The Bank has registered an outstanding level of Rs. 138,935 crore (41.25 % of Average FY 20-21 ANBC) under Priority Sector Advances consisting of Agriculture Rs. 59,007 crore (17.50% of Average FY 20-21 ANBC). Out of which S&MF Rs. 31,992 crore (9.29% of Average FY 20-21 ANBC), SME Rs. 57,267 crore out of which MSME Micro Rs. 38,158 crore (11.54% of Average FY 20-21 ANBC), Education Rs. 2,304 crore, Housing Rs. 20,207 crore and Other Priority Sector advances is Rs. 150 crore. The Bank has surpassed the regulatory ratios under Priority sector, S&MF, MSME Micro and credit to weaker sections of FY 2020-21. **“Star Krishi Vikas Kendra-SKVK”**: To increase the agriculture portfolio and better credit appraisal.

Particulars (Amt. in Crore)	Amt O/S		Y-O-Y Growth% (Mar20 to Mar21)	Amt O/S Sep 2021	% of Average ANBC Sep 2021	RBI Bench- mark
	Mar 2020	Mar 2021				
<b>Total Agriculture</b>	52918	59007	<b>11.52</b>	61886	17.85	18.00
<b>Small &amp; Marginal Farmers</b>	26476	31992	<b>20.83</b>	35512	10.24	8.00
<b>MSME</b>	52302	57267	<b>9.49</b>	58684	-	-
<b>Micro Enterprises</b>	27040	38158	<b>41.12</b>	37977	10.95	7.50

Housing Loan	18058	20207	11.90	20158	-	-
Education Loan	2876	2304	(19.89)	2225	-	-
others	217	149	(31.44)	137	-	-
<b>Total Priority Sector Advances</b>	<b>126371</b>	<b>138935</b>	<b>9.94</b>	<b>143090</b>	<b>41.27</b>	<b>40.00</b>

- \*Total Agriculture includes outstanding of RIDF & PSLC.

Bank's credit exposure to the Minority Communities is Rs 17,624 crore as on March 21 (15.01% of Priority Sector Lending against target of 15%).

**MSME (MICRO, SMALL & MEDIUM ENTERPRISE):** Micro, Small and Medium Enterprises (MSME) is a very important segment. Around 6.50 crore. MSME entrepreneurs contributing nearly 30 % of the GDP, 45 % of the manufacturing output and nearly 48 % of the exports of the country. It generates employment for about 110 million people. MSME sector is considered to be the backbone of Indian economy that has contributed substantially in the socio-economic development of the country. Considering the importance of the MSME and to bring larger business population under its fold, Government of India has now revised the definition of the MSMEs.

As per **new classification of MSME w.e.f. 01.07.2020**, all enterprises with investment in plant & machineries up to Rs. 1 crore and with turnover up to Rs. 5 crore will be classified as **Micro enterprises**.

All enterprises with investment in plant & machineries up to Rs. 10 crore and turnover up to Rs. 50 crore will be classified as **Small enterprises**.

All enterprises with investment in plant & machineries up to Rs. 50 crore and turnover up to Rs. 250 crore will be classified as **Medium enterprises**.

**PERFORMANCE:** Performance of the Bank in Lending to MSME Sector during the current financial year up to 31.03.21 is depicted as under:

**Performance of the Bank in lending to MSME Sector as on 31.09.2020 is depicted as under:**

Particulars Amt In Crores	March'20 Actual	March'21 Actual	Y-O-Y growth Amt.	%	Sept'21 Actual	% to Domestic credit Sep'21
<b>Total MSME (Including SIDBI)</b>	56,092	63237	7,145	12.73	64984	17.63
<b>Core MSME (Excluding SIDBI)</b>	55,617	62804	7,187	12.92	-	-
<b>MSME Priority</b>	52302	57267	<b>4965</b>	9.49	58684	15.92



# Bank Of India Officer's Association (Mumbai & Goa)



<b>Micro Enterprises</b>	27,040 (8.59 % of ANBC)	38158 (11.54 % of ANBC)	<b>11118</b>	41.12	37977 (10.95% of ANBC)	10.30
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- 592,748 new accounts have been added with sanctioned limit of Rs. 14,753 crore. These accounts have outstanding of Rs. 11,912 crore.
- Total sanction under MUDRA as on 31.03.2021 was Rs. 8,624 crore against budget of Rs. 6,500 crore.
- Total 25,888 accounts were sanctioned through “online PSB59 loans” amounting to Rs 2193 crore. • We have undertaken Restructuring of accounts as per One time MSME Restructuring as permitted by Reserve Bank of India in 77,053 accounts of sanctioned limits Rs. 3,050 crore with an outstanding amount of Rs. 2,365 crore.
- 34,623 new accounts are covered under CGTMSE with total guarantee amount of Rs. 2,635 crore and cumulative accounts covered by CGTMSE is 431,892 with total amount of Rs. 31,407 crore as on 31.03.2021.
- Total NPA under MSME segment was 22%.
- Successfully implemented various Govt. supported Covid relief schemes i.e. ECLSG-1, ECLGS 2, CGSSD for MSME entrepreneurs to meet their operational liabilities and restart their businesses.
- TReDS : Concessions in Rate of Interest made available by shifting from MCLR to RBLR in TReDS business platform.
- SMECC Revamping: Strengthening of all existing 58 SMECC’s for smooth functioning and centralised processing of all proposals of Rs. 10 Lakh and above implemented during the FY.
- Achieved the regulatory target under micro enterprises with total outstanding being 11.53% of ANBC as on 31.03.2021 against target of 7.5% of ANBC.
- Launched “Think Big – Bring Big” campaign to target to tap big ticket MSME advances under both Star Welcome Offer and Star Asset Backed Loan Schemes.
- Launched “Hum Honge Kamyab” campaign to target MSME advances under both Star Welcome Offer and Star Asset Backed Loan Schemes.
- Launched “LAKSHYA 10000” campaign with a specific target of achieving Rs. 10,000 crore MSME Disbursement from Dec’20 to Mar’21.
- Initiated Campaigns with concession in ROI for accelerating credit flow to MSME sector; under Star MSME Welcome offer.
- Various measures for improved Underwriting & Assessment Parameters like use of CMR/ tie-up with Probe42 / automation of loan process through e-platform for MSME are at implementation stages.
- Successfully implemented RBI Restructuring Resolution Framework 1.

**FINANCIAL INCLUSION:** Bank considers Financial Inclusion as a viable business proposition and has shifted outlook from “CSR” to “economic viability”. ICT based solution to support and secure sufficiently low cost transactions required by the financial sector. Financial inclusion drive gained momentum with Pradhan Mantri Jan Dhan Yojna (PMJDY)



programme. Bank has provided banking services in unbanked rural areas through ICT led Business Correspondents model.

**PMJDY AND SOCIAL SECURITY SCHEMES:** During the year 21.70 Lakh PMJDY accounts has been opened. Bank has also actively participated in Social Security Schemes launched by Govt of India. During the year bank has covered 28.42 Lakh accounts under PMSBY (Pradhan Mantri Suraksha Bima Yojana). 8.62 Lakh accounts has been covered under PMJJBY (Pradhan Mantri Jivan Jyoti Bima Yojana) during current financial year. There are 4.00 Lakh number of APY ( Atal Pension Yojana) new subscribers have been canvassed by the bank in FY 2020-21 with cumulative APY at 14.88 Lakh number of accounts. Our Bank has been awarded Best PSB with “**Amazing Achievers of APY** (1st February, 2021 to 31st March,2021)” for its performance under APY.

### Performance Under Financial Inclusion:

Particulars	As on 31 March 2021	
	Number of Accounts	Amount (Rs. Crores)
PMJDY (Lacs)	253.83	
Zero Balance Accounts (Lacs)	33.42*	-
PMSBY (Lacs)	28.42 (FY20-21)	-
PMJJBY (Lacs)	8.62 (FY20-21)	-
APY (Lacs)	14.88 (Cumulative)	-

“**Information and communication Technology (ICT)**” Financial inclusion drive gained momentum with Pradhan Mantri Jan Dhan Yojna (PMJDY) programme. Seamless ICT Technology based basic banking services enabled in Rural & unbanked areas “Information and communication Technology (ICT)” led Business Correspondents model.

**Low cost transactions** – Based solution to support and secure sufficiently **low cost transactions** required by the financial sector. Bank has provided banking services in unbanked rural areas through ICT led business correspondents model. **Customer Outreach Initiative’ conducted** in 18 districts and participated in more than 200 districts for augmenting credit off-take and expansion of financial inclusion and digital banking.

**Star Swarojgar Prashikshan Sansthan (RSETIs):** Bank is sponsoring 43 RSETIs in the States of Jharkhand, Odisha, Uttar Pradesh, Madhya Pradesh, Maharashtra and West Bengal. During the year RSETIs have conducted 741 training programs and imparted training to 20,524 candidates ensuring settlement of 39.30% (8064) and providing credit linkage to 59.45% (4794) candidates to enable them for gainful employment. We have 33 RSETIs rated “AA” to impart training to Rural Youth.

**Lead Bank Scheme:** The Bank has Lead Bank responsibility in 51 districts spread across five states of Jharkhand (15), Maharashtra (14), Madhya Pradesh (13), Uttar Pradesh (7) and Odisha (2). The Bank is convener of the State Level Bankers’ Committee (SLBC) in the state of Jharkhand.

**Financial Literacy and Credit Counseling Centres (FLCC):** FLCC/FLCs are established as per Reserve Bank of India guidelines at Rural and Urban Centers at district locations





where Bank is having Lead Bank responsibility. Bank's 51 FLCs are functional in all 51 Lead districts. The FLCs in addition to imparting training also undertake remedial counselling on case to case basis for the distressed borrowers, preventive counselling through media, workshops and seminars. Presently 1,621,218 needy distressed people were given counseling.

**CENTRE FOR FINANCIAL LITERACY (CFL): PILOT PROJECT:** Reserve Bank of India asked Banks to explore innovative and participatory approaches to financial literacy. Our Bank have been entrusted responsibility for opening of 5 CFL in 5 Blocks of Ratnagiri District in collaboration with CRISIL Foundation. Accordingly we have opened all 5 CFL (Khed, Chipun, Mandangad, Guhagar and Dapoli) in Ratnagiri District in collaboration with CRISIL Foundation. All CFL are working since October 2017 and thereafter, in 2019 we have been given responsibility to open 5 CFL in collaboration with SWADHAR, in Khunti District in Jharkhand State. Recently we have been entrusted to scaling up 110 CFL in Five States (Jharkhand, Maharashtra, Odisha, Madhya Pradesh & Uttar Pradesh) in collaboration with RBI identified Five NGOs by December, 2021, of which we have already opened Ten (10) CFL in the Month of March, 2021 in the State of Jharkhand.

**Enhanced Access and Service excellence directive** – Online tracking of timeline for settlement of deceased claims case- Department of Financial services DFS – Under EASE reforms has published roadmap for customer convenience in Banking service is online tracking of average number of days taken beyond regularly. Prescribed timeline of **15 calendar days** from the date of submission of all the requisite documents by the Nominee/Legal heir(s) of the deceased depositor for closure/settlement of account. Finacle Menu-DECCLAIM.

**Credit Process Audit:** Credit Process Audit is to ensure compliance of Pre and Post disbursement terms of sanction terms/ covenants, where in the disbursing officer, before parting with the Banks funds, has taken all necessary measures for creation/perfection of security with a view to ensure enforceability of the said securities. Now, CPA is Finacle integrated to monitor in real-time.

**Stock Audit:** We ensure timely conduct of Stock & Receivables audit in eligible accounts and take active/preventive steps wherever warranted. The stock audit is applicable mostly for standard advance accounts having **working capital exposure of Rs.5 crore and above**. It is required to be conducted annually. Assets showing inherent signs of weakness, such as out of order position, overdue Bills under Letters of Credit, invocation of guarantees, review overdue etc., which pose a threat to the bank's asset quality, are followed up at various platforms & levels through Tele/ Video conferencing.

**Daily marking of NPA:** The Bank has migrated to daily marking of NPA w.e.f. 15.04.2021 to have more transparency in identification of NPA & for compliance of regulatory guidelines. Daily NPA Marking is already implemented in Ratnagiri and Mumbai North Zone.

**COVID19- regulatory relief package:** In terms of RBI guidelines, moratorium benefit has been extended to all the borrowers from 01.03.2020 to 31.08.2020 and eligible accounts are rescheduled and restructured as per RBI relief package.

**Other monitoring tools:** Centralized monitoring of pre-disbursement & post disbursement covenants implemented for strengthening compliance level. Policies are in place for Red Flagging of accounts on observance of EWS & examination of fraud angle within a specified timeline in terms of regulatory guidelines. Prompt reporting is ensured once account is declared as fraud, in RBI's CRILC platform.

**Bank has appointed ASMs** for specialized monitoring in accounts above Rs. 250 crore for verification of transaction monitoring, Inspections etc. Policies are in place for Red Flagging of accounts on observance of EWS & examination of Fraud angle within a specified timeline in terms of regulatory guidelines. Prompt reporting is ensured once account is declared fraud, in RBI's CRILC platform.

**NPA MANAGEMENT:** The Bank made sustained relentless efforts for NPA and Written Off recovery by adopting Board approved strategies with activation of Asset Recovery Branches, staff at grass root levels. **The NPA Position as on 30.09.2021 are as under: (Amount in Crore)**

Particular	Position as on 31.03.2020	Position as on 31.03.2021	Position as on 30.09.2021
Gross NPA	61,550	56,535	<b>50270</b>
Net NPA	14,320	12,262	<b>10576</b>
Gross NPA (%)	14.78%	13.77 %	<b>12.00 %</b>
Net NPA (%)	3.88%	3.35 %	<b>2.79 %</b>
Provision Coverage Ratio (%)	83.74%	86.24 %	<b>87.81 %</b>

#### ABC analysis of NPA:

- We launched **Star SAKSHAM Campaign** to encourage & involve sub staff in the recovery process.
- We have modified our tailor made scheme for One Time Settlement (OTS) which were non-discretionary & nondiscriminatory.
- Posting of 3 General Managers in the Department looking after different geographies and Buckets.
- Functioning of War Room with dedicated officers for Credit Monitoring & Recovery.
- Thrust on generation of OTS proposals at each level. Accounts of Rs. 5 crore & above being driven by Head Office. Online monitoring of OTS proposals.
- Conclusive SARFAESI/Legal action and legal menu for suit filed/ decreed accounts.
- Rejuvenating Asset Recovery Branches by transferring suit filed NPAs > Rs. 50.00 lac & major ARBs are headed by DGM/AGM.
- Filing application with NCLT and pursuing other Banks in the consortium where we are not leader.
- Filing of suit, follow-up for vacation of stay and for speedy resolution through the DRT.
- Facility of online submission of OTS application by NPA borrowers with tracking option.



- Driving OTS in accounts which have positive impact on Bank's profit & loss A/c;
- Invoke promptly the provisions of SARFAESI Act.
- Initiating the process of declaring Borrowers as Willful Defaulters / Non-Cooperative in all eligible cases.
- Conducting Mega E-auctions on Pan-India basis to fast forward the process.
- Participation in the National Lok Adalat at various levels.
- Suit filed/decreed cases are now monitored online.

**CREDIT MONITORING:** Monitoring of the credit portfolio is essential in order to maintain and improve the asset quality of the bank and minimize credit risks. The main objective of Credit Monitoring is to ensure Compliance of sanction terms and end use of funds. It has to further ensure that the credit assets remain in standard category, endeavor made for up-gradation of identified stressed accounts/watch list accounts and take corrective action to prevent slippage of the accounts from Standard to Sub-standard. "War Room" and "Watch room" formed in each Zone for Recovery, NPA reduction and credit monitoring/ trigger management. Proactive Credit Monitoring through "**Borrower Health Profile (BHP)**" with dedicated manpower.

**Tools for efficient monitoring & control process: Early Warning Signal:** A fully tech based EWS solution is implemented in our Bank since August 2020. Our EWS is fully automated solution with in built well defined work flow. The account is red flagged and forensic audit is done. with accounts with Exposure of Rs 50 Crores & Above. Alerts are generated based on both internal (CBS and Rating Data) and External Data (MCA, CIC etc). The alerts generated helps the bank for identifying incipient weakness and initiate proactive timely remedial measures. The solution help the bank in early identification of fraud in accounts (if any). This solution also enables the branches for close monitoring of accounts with appropriate resolution /action.

**CRILC Reporting:** Identification of the accounts in SMA category triggers, mitigating steps such as follow-up for regularization, restructuring etc. In terms of RBI's revised guidelines, stressed accounts with credit limit of Rs. 5 crore and above are reported to RBI on **CRILC platform on weekly** basis.

**System Asset Classification (SASCL):** A predictive program in identifying the probable slippages showing overdue of more than two months period based on record of recovery as well as for accounts showing technical irregularities such as non submission of Stock/QIS statement over three months, insufficient/ no credit in CC accounts etc. This may cause downgrading of accounts, if timely corrective action is not taken. These accounts are monitored specifically by various verticals for containment of downgrading of standard assets.

**Focus on 600 Top NPA branches:** "Red out Road shows" being organized to specially focus on Top 600 NPA branches for targeting upgradation/recovery/resolution.

**Post Sanction Review System (PSRS) FOR ACCOUNTS OF Rs. 2 lakh & above. NO TOL** in new Advance Account & **TOD** in new current account to be entertained in first 6 months.

**Timely Review of Account-** To prevent slippage for non review of account on technical ground (non review beyond 180 Days)





**Credit Audit & Loan Review Mechanism (CALRM)**- For accounts with exposure of Rs. 5 Crore & above.

**Staff Accountability Report (SAR) & PERFORMANCE ASSESSMENT**- SAR to be submitted upon account downgraded to Substandard or loss category within 90 days from the date of NPA.

**RBI SPARC Report** – Discretionary audit conducted at branches with high risk and above rating. The compliance department is the nodal point of contact of risk based supervision (RBS) undertaken by RBI.

In terms of RBI's revised guidelines, **stressed accounts** Special Mentioned Account- **SMA-2 A/cs (61-90 Days Overdue)** with credit limit of Rs. 5 Crore and above are reported to Central Repository of information on Large Credits (CRILC) Setup by RBI on weekly basis by close of business on every Friday, or the preceding working day if Friday happens to be a holiday. The CRILC- Main report shall be submitted on a monthly basis.

**NPA classification** - Borrower's wise. Critical analysis is done for quick mortality cases.

**Retail Trade Activity** can't be covered under CGTMSE but can be covered under CGFMU.

An account will be classified as substandard if it remains NPA for a period of not exceeding 12 Months.

**“Enterprise wide Fraud Risk Management”** framework for real-time fraud monitoring is now functional with real time monitoring of transactions.

**SMA 1 & SMA 2 ACCOUNTS: REPORTED TO RBI-CRILC (Central Repository of Information on Large Credits):**

SMA POSITION OF EXPOSURE OF RS. 5 Crore and above. (30 September 2021)

VERTICAL	Number of Borrowers	INR Crores
SMA 0	-	5340
SMA 1	-	2090
SMA 2	-	4163
TOTAL	-	9793

**Website related development:** New/revamped website was launched on 7th December, 2018 by our Respected MD & CEO with brand new look and feel, with device agnostic features to fit in all kinds of devices, at par with the website of private banks.

- Dashboard created for monitoring of accounts opened for two project (STRIVE, NIESBUD) started by Ministry of Skill Development and Entrepreneurship.
- Dedicated website has been developed for Antwerp Branch in Belgium.
- Online Suggestion Module has been developed for Kenya site.
- Online (Guaranteed Emergency Credit Line) was provided to eligible MSME borrowers.
- Development of online contactless debit card survey form with survey link on website to gather feedback for enhancement of card services.
- Development of Finance restructuring application form on website where provision to opt for relief (extension of loan moratorium as well as tenure) has been provided to eligible borrowers who are affected during the ongoing Covid Pandemic.
- Introduction of Door Step Banking services and display of contact information to connect and avail DSB services have been developed and integrated.





**BOI SEVA-** Introducing a digital & Voice assistant BOI-SEVA our Chatbot for quick links, Instant customer query resolution, AI & Machine learning and enhanced services. OUR Chatbot is launched on website in English & Hindi version on 7/9/2019.

**SMS in Vernacular Language:** We are taking default preferred language based on permanent state code available in customer master, all customer by default will receive SMS in the language stated as above. However, customer can change / choose other languages or go back to English as preferred language. A) Branch (Offline) Modify CUMM and Free\_Code \_3.

B). SMS (Online): By sending SMS using code "UATLANG" keyword and send on to No. 7669300024 using their registered mobile number. Customer will message the preference language code in prescribed format (i.e. <language\_code><space><cust\_id>) on long code 7669300024. Maximum limit for changing SMS vernacular language using SMS mode is 2 times per day.

### **Anytime Anywhere Loan Processing - RETAIL LOAN TAB/MOBILE APPLICATION**

- Retail Loans have been integrated with PSB59min Online portal for Home Loan, Personal Loan and Vehicle Loan.
- In-principle approval is instantly provided to the customer through the PSB59min portal and application processed in CAPS for further final Sanction.
- Retail Online Module introduced on our website, through which customers are able to apply for Retail Loans online and same is integrated with our CAPS application for further processing. The application form and the documents can be uploaded instantly in CAPS.
- MSME Loans Format - 2 and Format – 3 has been introduced in CAPS for processing all MSME loans upto Rs. 2.00 crore.

**BOI MOBILE APP:** Mobile Banking Application for Android was launched on 1st August 2018 and IOS was launched on 10th August 2018 which has been well appreciated by the customers.

- Currently we have 44,61,183 registered users in Mobile Banking (as on 30th Apr 2021) that includes 42,77,608 Android users and 1,83,575 iOS users and now it has been made compatible with Android 11.
- Integrated Debit Card Control and Credit card control changes according to RBI guidelines that includes features like Hotlist, Temporary Block/Unblock, Change PIN, Manage Limits and Manage Channel, view statement, Pay Bill, temporary block card, replacement card.
- Integrated Doorstep Banking and PPS-Cheque Positive Pay System.
- Integrated OCRM (Operational Customer Relationship Management) feature for Lead Generation where customer can request for 46 facilities e.g. request for credit card, request for different types of loan, request for locker etc. to name a few.
- 15GH form is made available in the app where user can submit application to prevent TDS deduction on the income.
  - Changes have been done to allow credit in Loan accounts using Third Party fund transfer option in MB.
  - Display of loan account and loan offers functionality integrated in mobile banking.
  - Given Date Balance functionality and mPassBook made live for end users to check balance in their SB, CD, ODA, Loan, TD and RD accounts.

### **Digital Documentation Execution:**



- DDE Project has been made live for Retail loan products on 31.03-2021 which includes e-stamping and e-signing using Aadhar based OTP.
- (NeSL) has been implemented in CAPS i.e. Credit Application Processing system. (Banks-Loan Orientation System (LOS)).
- At present Single borrower with multi documents and multipage documents is implemented.
- DDE project is available for 8 states as viz Delhi, Rajasthan, Uttar Pradesh, Jharkhand, Tamil Nadu, Karnataka, Pondicherry, Andaman Nicobar.

## INTERNET BANKING:

- Debit card Control module as per RBI mandate has been made live in Internet Banking application where user can manage channel access as well as channel limit along with hot listing of card, temporary blocking of card, change card PIN, reset card PIN.
  - As per advisory received from RBI, forced password change has been introduced for SCB's and UCB's Corporate Internet Banking users.
  - As per RBI guidelines, communication between Bank of India Internet Banking and PayU & ATOM/ Tech Process Payment Gateway has been encrypted.
- Internet Banking (Retail) has been integrated with e-FRM system of Fraud Risk Management.
- Facility has been introduced in Retail Internet Banking to allow customers to add nominee in savings bank account.
- Door Step Banking portal redirection has been integrated on internet banking home page.
- Success, failure and all bulk upload report post processing of bulk upload transactions facility was provided to the customers.
- SGB (Sovereign Gold Bond) functionality has been enabled for HUF customer. With this, Hindu Undivided Family (HUF) can also apply for Gold bond using Internet Banking.

**Stardesk Development of modules /forms in Stardesk:** In Stardesk, we can find Taarangan, Sandipani, Meghtara, Indian Banker, Manuals & Policies, Circulars, Guiding Star, Information security, Rajbhasha, KRISH, BOI Varta and Mahashakti MSG.

- Vigilance Portal revamp.
- Development of Compliance Portal.
- Quiz module setup for DRO confirmation exam.
- Online feedback form on locational workshop by AMOs in GyanPatal Portal on Stardesk.
- Online Form for setup of staff at training college in GyanPatal Portal on Stardesk.
- Modification for Hindi Reporting Forms.
- Development of Gyan Atmanirbhar Portal for Standard Operating Procedure SOPs and Online forms for feedback on SOPs, Staff contribution on SOPs on Gyan Atmanirbhar Portal.
- Online Application form for Reference number Generation to generate the reference nos from system & Online form for capturing payment details.
- Online Form for Zonal Budget allocation, MIS of Security department, Information security portal.
- Online form for capturing Payment Details.

**Bharat Bill Payment System:** During the year, the solution is integrated seamlessly with Bank's CBS, Financial Inclusion gateway, Multi Function Kiosks, IVR services, and in



Alternate Delivery Channels provided by Bank. The transaction can be initiated via alternate delivery channel or from any bank branch terminal or through payment agent terminal.

**Initiatives at IT (Datawarehouse):** Next-gen Datawarehouse solution: Bank has engaged a consultant firm to study our existing processes, setup and propose suitable, cost effective next generation Datawarehouse solution. Accordingly, RFP has been floated in first week of May,2021 for selection of System Integrator to implement proposed next-gen solution along with Data-Lake.

- Implemented OFSAA Project with four modules MFTP, PFT, ALM & LRM.
- Development of Data Mining Project for NPA modelling and Cross Sell and Up Sell. This includes customer profiling and segmentation, market basket analysis.
- Customer's transaction pattern along with behavioural attributes are considered.
- Providing daily data to Inspection & Audit Department for Audit Automation system.
- Implemented NeSL Project.
- Digitisation of Closing Statements Annexure 1, Annexure 3 and Annexure 9.
- Identification of accounts for MSME subvention & CIBIL reporting.
- Providing MIS data/reports to HO Departments/NBGs/ Zones.
- Providing Daily NPA Report to the top management.
- Generation of CA-23 report onward submission to regulatory authorities.

**INFORMATION TECHNOLOGY: Document Management System:** A document management system (DMS) is a system (based on computer programs in the case of the management of digital documents) used to track, manage and store documents and reduce paper. It facilitates keeping a record of the various versions created and modified by different users (history tracking). We have provided DMS access to premises department. We have also tested DMS Readiness in Branches for Account Opening process, CBOD Dept. and Swift Centralization for FBD Dept.

- Various HO departments, branches and zones are accessing DMS in Live environment.
- Statutory Branch Audit (SBA) and Statutory Control Audit (SCA) has been conducted effectively with the help of DMS. All the documents have been made available to the auditors on real-time basis.
- The SB account opening Process through DMS is made live in all the branches linked to 59 ZCODs (Zonal Centralized Operations Department), based on the request received from Centralized Back-Office Department w.e.f. 01.04.2021.
- Usage of DMS in Swift Centralization Process has been made live in AD branches and FBD new template "FE-BO" has been made live on 24.03.2021.
- ECS mandates through DMS has been made live in all branches w.e.f. 17.02.2021.pp

**ONGOING PROJECTS: DIGILOCKER Solution:**

- Bank is in the process of procuring DigiLocker Solution to provide facility to Customers. Using this solution bank can issue document like interest certificate, TDS document etc. to customer's
- DigiLocker account as well as bank can request document like KYC document, OVD's etc. from customer.
- On-boarded M/S MISCOT for implementation of DigiLocker solution. Development, deployment and UAT has been completed. Integration with MB and IB is in progress.





**FASTag:** FASTag is a simple & reusable tag that works on the Radio-frequency identification technology (RFID). Each tag is linked to a registered wallet to facilitate instant automatic deduction of toll charges. Our bank's customer has the facility to recharge their existing FASTag through Internet Banking, Mobile Banking and branches. Now Our bank is working to be an issuer of this FASTag. Integration with Finacle, MB, IB, UPI and BBPS will be done after NPCI Certification.

**MISSCALLPAY:** MissCallPay is digital payment solution that provides all the functionality of UPI based mobile payments over a feature phone using Missed Call. It does not have any dependency on internet connection, hence it is suitable for rural and urban under-served population in India. Users can also transact in their local language.

**Interoperable Cardless cash withdrawal: Cardless Cash** withdrawal in ATM using UPI QR (**QRCash**) has been launched on 07th September 2019, where the customers need not use ATM cards to withdraw cash anymore. QRCash leverages QR platform and Customer can use BHIM BOI UPI Application to scan the QR generated on Recycler/ATM Screens. QR-Cash is an attempt for curbing ATM cloning, skimming & ATM related frauds and promoting card less cash withdrawals.

To make this product interoperable among all peer banks, NPCI has given approval for UAT of Interoperable Card less Cash Withdrawal (ICCW). Customers using any UPI Application will be able to withdraw money from ICCW/ QR-Cash enabled ATM/ recyclers.

#### **Meghara- Creating State of Art Cloud Facility:**

- To create Bank's private Cloud to maximize the potential benefits of Cloud Architecture. For compliance of Bank's and Regulatory requirements.
- We have migrated 207 VMs out of 218 VMS successfully on private cloud infra. The VMs which are pending for Migration are MB, GPS, UPI and Mailbox for which we are in process of seeking downtime from the application owners.
- Virtual infrastructure has been upgraded and integrated with Private Cloud at DR.
- Backup Server implementation is pending and FI Switch uplink Up gradation will be started after all VMs migration & In DC Private Cloud infrastructure implementation is completed.

#### **New initiatives of Datawarehouse: Branch Datasheet:**

- Branch Datasheet was launched on 01/01/2020 containing Branch Business figures viz. Deposit, Advances, Sector Wise Credit, Disbursement, NPA, Recovery, OTS etc.
- We have started sending Branch Datasheet weekly to all Branches to their Branch email IDs.
- Branch Datasheet provides Provided 3750+ no. of reports for adhoc requirements of HO departments / NBGs / Zonal Offices.
- Integrated 56 new reports in SAP BO during the period. These includes 22 reports of ZO monitoring tool for BPR dept. (under testing).

#### **Payment Modulator (Card Control) on mobile application:**

- Two applications namely "**Card Shield**" for Debit Cards and "**Card Control**" for Credit Cards have been inaugurated on 06/06/2019.





• Card Control is now available in iOS also. We propose to integrate these applications viz Card Shield and Card Control into our BOI Mobile App. Further SMS/ Email alert to be sent for any change in limits through the App.

Hard Copy **Credit Card Statement** will be discontinued for BOI Staff Credit card holders w.e.f. 15-02-2020, Register your email ID other than Bank Corporate email ID for e statement if not register earlier.

**Debit Card Control App & Credit Card Control App** have been launched to enable customers to have a full control over the card activity.

**Door Step Banking (DSB):** Doorstep banking is a facility provided to Customers so that they don't have to visit bank branch for routine banking activities like cash deposit, cash withdrawal, cheque deposit or making a demand draft. The bank extends these facilities at Customer's work place by appointing a service provider on their behalf. **Door Step Banking** through Universal Touch points (Call Centre, Website and an App) has been introduced for providing banking services to customers from the Agents engaged by the Bank. We have initiated doorstep banking and the UAT has been conducted.

#### **Robotic Process Automation:**

• Robotic process automation (RPA) is the use of software with artificial intelligence (AI) and machine learning capabilities to handle high-volume, repeatable tasks that previously required humans to perform.

• These tasks can include queries, calculations and maintenance of records and transactions. Proof of Concept (PoC) has been carried out in Alternate Delivery Channel (ADC) department and running successfully from April 2019. We have automated three new processes.

**Improving the Network Infrastructure of Branches:** 4900 Branches upgraded with 2 MPBS bandwidth. In remaining branches Citrix solution has been tested.

**TRANSACTION BANKING:** Bank set up separate Transaction Banking Department (TrBD) to generate bulk income and float for the Bank by providing management of "cash flows" of customers especially large corporate, government institutions and high net worth individuals through digital banking, The main function comprises of Cheque collections, PDC collections and Direct Debit mandates, other services viz. Cash Management Services (Doorstep Banking), On-line Share Trading - (3 in 1 A/cs, ASBA SYNDASBA), Payment Gateways, NACH activities on NPCI platform and operational aspect of Star Channel Finance.

**DIGITAL BANKING:** Bank of India is providing various digital products and services to promote digitalization. Different variants of Debit and Credit Cards from VISA, Mastercard and RuPay are issued to customers. During the year we have launched a premium debit card, both in metal and plastic variants, for our high valued customers. Bank has integrated debit and credit card services to BOI mobile application for seamless control over cards related transactions. BHIM UPI, Mobile Banking and Internet Banking services are availed by large number of customers. Bank provides Point of Sale (POS) EDC machines, BHIM Aadhaar Pay / UPI QR / Bharat QR to merchant customers.



Bank provides various facilities relating to transaction banking. This includes NACH mandates, direct debit mandates, Payment Gateway, Cash Management Services for Corporates, on-line-share trading 3-in-1 accounts and Channel Finance.

**“National Automated Clearing House” NACH** The National Payments Corporation of India (NPCI) has implemented an electronic payment service termed as “National Automated Clearing House” for banks, financial institutions, Corporates and Government Departments. NACH has both Debit and Credit variants. It aims at facilitating interbank, high volume, debit/credit transactions, which are bulk and repetitive in nature. NPCI facilitates the participation of corporates on NACH Credit through the Direct Corporate Access (DCA) module with sponsor bank’s control. NACH Credits is an electronic payment service used by an institution for affording credits to a large number of beneficiaries in their bank accounts for the payment of dividend, interest, salary, pension etc. by raising a single debit to the bank account of the user institution.

**Aadhar Payment Bridge System APBS:** It is a unique payment system implemented by NPCI, which uses Aadhaar number as a central key for electronically channelizing the Government subsidies under Direct Benefit Transfer (DBT) and benefits in the Aadhaar Enabled Bank Accounts (AEBA) of the intended beneficiaries. It is a payment system based on Aadhaar numbers issued by UIDAI & IIN (Institution Identification Number) issued by NPCI.

**Payment Gateway:** is a software that authorizes to conduct an online transaction through different payment modes like net banking, credit card, debit card etc. PG plays the role of a third party that securely transfers money from the bank account to the merchant’s payment portal. For providing Payment Gateway for a customer’s website we have tie-ups with Billdesk, Payu India and SabPaisa (BOI Quick Collect). **M/S Sab Paisa** has agreed to provide Payment Gateway to M/S Bajaj Finance/Bajaj Auto Finance under Payment Gateway facility to cash Challan.

**ALTERNATE DELIVERY CHANNEL:** Post demonetization era needs moving towards less cash society and thus the emphasis is on **digitalization and Alternate Delivery Channels** such as internet Banking, different variants of Debit and Credit Cards, POS machines. Bank has launched card control application to help customers secure their cards and card related transactions. BHIM UPI, Mobile Banking and Internet Banking services are availed by large number of customers. Bank provides Point of Sale (POS) EDC machines, BHIM Aadhaar Pay / Bharat QR devices to merchant customers.

- **VISA Signature Debit** Card, which is a contactless metal card having multiple benefit for customers, launched.
- As on 31.03.2021, Bank has installed 30,560 physical PoS terminals and issued 179,901 QR code (including PM Svanidhi accounts) to various merchants in metro, urban, semi-urban and rural areas.
- As on 31.03.2021, Bank has installed **5,551 ATMs**. All ATMs of the Bank are compliant with latest security features. We have also enabled Voice Guidance facility in all our ATMs to help the visually challenged.



- 2,727 New Age **Cash Recycler Machines** are installed to facilitate seamless cash deposit / withdrawal experience to our customers.
- **Internet Banking users (Retail)** increased to 78.84 lakh as on 30 Sept, 2021.
- **Mobile Banking** users increased to 51.09 lakh as on 30 Sept, 2021.
- **BOI UPI** users 114.31 lacs as on 30 Sept 2021.
- **Bank customers** base is over 100 million as on March 31, 2021.
- Bank has taken lead to have **2594 Digital Villages** pan India.
- **Web-based - Retail Online Module:** launched to improve productivity and customer service by reducing turnaround time.

**INSPECTION & AUDIT:** Bank has Board approved policies on Risk Based Internal Audit (RBIA), Risk Based Management Audit (Domestic), Concurrent Audit, Information System Audit, Off site Monitoring (OMS) and Audit of Foreign Branches. The policies are reviewed to comply with the directions of the Regulators and also as per the directions of Audit Committee of the Board. During the FY 2020-21, the Department conducted audit of 3210 branches and offices. Concurrent Audit covered 1211 Branches, Treasury Branch, Data Centre and HO Departments by practicing CAs and all the Foreign Branches are covered by Bank's own officers. Concurrent Auditors covered more than 59.41% of Global Deposits and more than 83.97% of Global Advances. Bank also conducts special assignments to meet requirements of the Bank from time to time in areas of:

- Discretionary Audit conducted at branches with 'High Risk and above' rating.
- Assessment of impact of preventive vigilance measures at branches under audit.
- Special Audit of select Authorized Dealer (AD) branches for checking/verification of transactions relating to Export transactions / Import Advance Remittances.
- IS Audit of Data Centre, Disaster Recovery site (DR) and other critical departments along with branches by Bank's Internal Information System Auditors.
- Concurrent audit of Data Centre to ensure verification of interest parameters, application of interest process and checking of interest in sample accounts.
- Regular reporting on all important Audit findings are made to Top Management, Audit Committee of Executives and Audit Committee of the Board as per the directions.
- Bank has also introduced the Off-site Monitoring System to monitor the identified exceptions on daily basis.

**LEGAL & RIGHT TO INFORMATION ACT:** Legal Department of the Bank acts as support department and provides platform for various matters of Opinion, Documentation, Litigation etc. emanating from various other functional departments at Head Office.

The Right to Information Act has taken a pivotal role in the Society and lot many applications are received by the Bank at various levels. Bank has identified Central Public Information Officer and Appellate Authority at various Zones / NBGs. Deputy General Manager (Law)/Assistant General Manager (Law) of Legal Department, Head Office is designated as the CPIO of the Bank, and the General Manager, Legal Department is the Appellate Authority. The **procedure for disposing** of application or appeals involves collecting the desired information from various Departments and supplying the same to the applicant within





the fixed time duration of **30 days** and also to guide the other Zones / NBG on specific points.

Moreover, with a view to create awareness among the staff, Legal Department issues circulars and guidance to NBGs/ Zones on the amendments on Statutes and New Legislations.

- Approval of Plaints in respect of suits filed by Bank and Monitoring of said cases.
- Advising on writs, cases, appeals, claims etc. filed against the Bank, vetting of the applications/affidavits etc. wherever required.
- Attending to the various queries of Ministry, Reserve Bank of India and IBA on different matters including new Legislation/amendments under consideration on various Acts.
- Opinion on Share transmission matters of Share Dept.
- Cases against Bank/ Claim against Bank not acknowledged as debt/provision requirement/ follow up with Zones etc.
- Collection and compilation of data/statistics pertaining to suit filed/ decreed cases and submission to various authorities like Reserve Bank of India, MOF etc. RBS data.

**COMPLIANCE DEPARTMENT;** Bank has an independent Compliance Department since the year 2008. The department is headed by **Chief Compliance Officer** in the rank of General Manager. Compliance of statutory, regulatory and Bank's internal guidelines is the scope of compliance function in the Bank, both for Domestic and Overseas operation who is also designated as "Principal Officer" in line with Prevention of Money Laundering Act, 2002 (PML Act).

Bank is adopting Board approved **Compliance Function Policy framed as per RBI** Reserve Bank of India guidelines. Bank is continually enhancing its compliance culture with adoption of Compliance Rules for different work areas of Bank's domestic operations. The compliance department is **conducting half-yearly compliance testing exercise, quarterly compliance testing** of implementation of Regulatory guidelines, compliance audit of action taken to RBI observations made under Risk Based Supervision and test check for Tranche III compliance rules prescribed by RBI to ensure compliance sustainability.

Bank has also vested with the responsibility of implementation/ monitoring **Know Your Customer (KYC)/ Anti Money Laundering (AML) Measures/ Combating Financing of Terrorism (CFT) Guidelines** in the Bank. Compliance with KYC norms in all accounts, as directed by RBI is ensured. As per the provisions of **Prevention of Money Laundering Act, 2002 (PML Act)** and its subsequent amendments thereto and the Rules made thereunder as well as the guidelines issued by the RBI, Bank has put in place Board approved KYC/ AML/CFT Policy which is adopted by branches in India. All customers have been **classified into High, Medium or Low Risk category** based on the Risk perception. As per extant RBI guidelines, the **review of the Risk categorisation is done once in every six months.**

The Compliance department is the single point of contact for all the Regulatory Agencies. It is the focal point of the Bank to respond to RBI in conducting **Risk Based Supervision (RBS)**. The RBS reports are attended in coordination with all the departments of Bank and compliance is submitted to RBI.





The compliance department at HO is also overseeing compliance function of overseas establishments who follow their respective territory based compliance policies as well as KYC-AML-CFT Policies. Each overseas Centre/ Branch/subsidiary has a compliance officer to look after the respective compliance function. Overseas branches comply with the applicable regulatory requirements (home country / host country regulatory guidelines whichever is stringent) and submit confirmations / compliance sustainability reports. The compliance officer of **each overseas Branch undertakes Quarterly Compliance testing** and submits reports to Head Office.

**FRAUD RISK MANAGEMENT:** Good corporate governance serves as an important factor in control of fraudulent activities. It may be true that Fraud itself cannot be eliminated but fraud risks can be managed and mitigated like other business risks with a proactive framework and approach.

- Devising and Administration of FRM (Fraud Risk Management) and LOC (Look-out Circular), Policy for the Bank,
- Reporting to RBI within stipulated timeline and Monitoring of Frauds,
- Maintenance of Centralized data on frauds,
- Analysis of Perpetrated and Attempted Frauds,
  - Plugging the loopholes in the systems, procedures & practices leading to perpetration of frauds,
- Dissemination of modus operandi & reasons for occurrence of fraud revealed by way of Circulars/ instructions to avoid the risk of recurrence of frauds of similar nature,
- Sensitizing staff through short alerts messages through tickers/periodical messages through MMS/ training/Video Conferencing on Fraud prevention,
- Periodical circulation of checklist on prevention of frauds,
- Convening meeting of Task Force Committee on frauds at HO and monitoring the meeting of Zonal Task Force Committee on frauds,
- Enterprise wide Fraud Risk Management Solution (EFRMS) encompassing all delivery channels except cards has been implemented covering domestic branches.

**RISK MANAGEMENT:** Risk Management is a Board driven function in the Bank with the **Risk Management Committee of the Board (R.Com)** at the apex level, supported by operational level committees of Top Executives for managing various risks, such as Asset Liability Management Committee (ALCO), CRMC (Credit Risk Management Committee), MRMC (Market Risk Management Committee) and CORM (Committee for Operational Risk Management).

Bank's Risk Management Framework is focused on full integration of risk management into its operations and culture.

The Risk Management Department ensures that risk management is implemented correctly, that it is in line with all regulatory guidelines. During FY 2020-21, credit rating thresholds were based on the performance of the specific industry/sector. Bank is in the process of implementing framework for Risk Adjusted Return on Capital (RAROC).



Bank has migrated to computation of Capital Adequacy under Basel III regulation based on Standardized Approach (SA) for Credit Risk, Standardized Duration Method (SDM) for Market Risk and Basic Indicator Approach (BIA) for Operational Risk as per the RBI guidelines.

**Operational Risk** is defined as the risk of loss resulting from inadequate or failed internal process, people and systems or external events. Operational Risk includes legal risk, but excludes strategic and reputation risk. Bank calculates Operational Risk Weighted Assets through Basic Indicator Approach (BIA).

Bank's Information Risk Management System has clear objective to obviate Information Security risks in the face of acceleration in Bank's business by strengthening internal controls to protect the brand, reputation and assets of the Bank. Bank is vigilant of the security and privacy of the data related to its patrons and account holders and takes utmost care to protect it from cyber-attacks. Bank has put in place Captive **Security Operation Centre (SOC)**. Bank has implemented information security tools for Real-Time monitoring of Information Security breach attempts / incidents / events on 24x7 basis in order to timely prevent, detect and respond. Advanced security tools like SIEM (Security Information and Event Management), PIM (Privilege Identity Management), DAM (Database Activity Monitoring), WAF (Web Application Firewall), NBAD (Network Behaviour Anomaly Detection), Anti-APT (Advance Persistence Threat) for Web & Email Channels and Anti-DDoS, Data DLP (Data Leakage Prevention) are some of the many security solutions deployed. Various **new security solutions** focusing on threat hunting, prevention, detection and response are also put in place. The Bank is ISO 27001:2013 (ISMS) and ISO 22301:2012 (BCMS) certified. Effective brand protection services are put in place to protect Bank's customers from Phishing attacks by way of fake sites.

**STAR VIGIL & VIGILANCE MANAGEMENT:** Vigilance department is headed by Chief Vigilance Officer for vigilance administration in the Bank under the general superintendence of the Central Vigilance Commission (CVC). The vigilance department covers all vigilance related matters of bank's officials in domestic operation, overseas operations, and subsidiaries.

The vigilance administration of three Regional Rural banks sponsored by Bank of India, viz. Vidharbha-Konkan Gramin Bank, Aryavart Bank and Madhya Pradesh Gramin Bank are also supervised by vigilance department.

For operational convenience, Vigilance Department has operationalized 8 Vigilance Units under the direct control of Vigilance Department, Head Office, which covers all the National Banking Groups. Separate Vigilance Units for the recently created 2 NBGs, i.e., NBGPatna & NBG-Bhopal are to be set-up shortly. Currently, their Vigilance matters are being handled by Vigilance Unit-North II, Lucknow and Vigilance Unit-Central (Ahmedabad), which have been catering to the undivided NBGs, North II and Central.

The Vigilance department deals with all 3 functions of vigilance administration such as, Preventive, Detective and Punitive vigilance with the objective of enhancing the level of managerial efficiency and effectiveness in the organisation. The vigilance department has brought out a revised Vigilance Reference Manual in 2019 collating the gists of circulars, guidelines, and instructions etc., issued by the DFS, CVC and Bank from time to time.



**CORPORATE SOCIAL RESPONSIBILITY:** The Bank has been generously contributing to CSR activities over the last few years throughout the length and breadth of the country. A new provision in Companies Act 2013 has mandated expenditure under CSR for the Companies formed under the Act. The Bank strongly believes that CSR activity is an important instrument that provides Competitive advantage and reputation of the business concern.

Bank of India, a premier financial institution of the country believes in quality service with attitude of care and concern for society as whole with continuous dedication towards its socio-economic development.

BOI has created its individual brand image in the field of Corporate Social Responsibility (CSR) by taking various social initiatives for social welfare and community development. The Bank is engaged in the CSR activities mostly in the area of Swachhta Bharat Abhiyan, Rural Development, Environment sustainability, Educational program such as Beti Bachao Beti Padhao Abhiyan, Extending health care to poor/under privileged, socioeconomic development, sanitation, providing drinking water, improving standard of living, skill development, welfare of women, children and SC/ST/OBC etc.

Bank is committed to the philosophy of giving back to the society by way of undertaking CSR activities for the needy & deprived on voluntary basis. The Bank has been generously contributing to CSR activities over the last few years throughout the length and breadth of the country.

Bank of India has approved various CSR projects during the **year 2020-21 aggregating Rs. 567.92 lakh**. Under its concept of CSR activities, Bank has assisted in various projects bifurcated as under:

1. Swachh Bharat Abhiyan-Rs. 6.56 lakh,
2. Beti Bachao Beti Padhao Abhiyan-Rs. 103.28 lakh
3. Environmental Sustainability and Ecological balanceRs.10.00 lakh,
4. Health and Family Welfare including Social welfare -Rs.13.32 lakh,
5. Basic Education, Skill development training -Rs.5.50 lakh
6. Local community service/ social activity- Rs.229.93 lakh,
7. Promoting Renewable Energy- Rs. 11.00 lakh,
8. COVID19 - towards promotion of health care, including preventive health care and sanitation, and disaster management- Rs.188.33 lakh.

Our Bank has adopted the government's initiative **Star Angel India – “Beti Bachao Beti Padhao Abhiyan”** - aimed at ensuring education of the girl by tagging of 5 girl child from each of our rural branch. The beneficiary girl child is being provided scholarship @ Rs. 1200/- per girl child per annum for her educational expenses from Std-I up to Graduation. Bank of India has assisted in health sector by sponsoring health camps for poor and underprivileged citizen through various GOs and Charitable societies. Our Bank also provided medical equipments to hospitals catering medical services to poor patients.

In wake of spread of **COVID -19**, The ministry of Corporate Affairs vide the General Circular No. 10/2020 dated 23.03.2020 clarified that spending of CSR funds for COVID-19 are eligible





for CSR activity. In this connection, Our Bank has approved for **exclusive budget of Rs. 2.00 crores towards CSR activities to be undertaken for COVID-19** by Zones / NBGs / including reserve pool kept at Head Office Rs.50.00 lakhs. This budget is in addition to the budget allocated for FY 2020-21.

**Prime Minister's CARES Fund – For Pandemic COVID-19:** The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) has been created on 28<sup>th</sup> march 2020 following the COVID 19 pandemic in India. Our Bank BOI has appealed for encashment of One day's PL by Employees for Donation to the "Prime Minister's CARES Fund- for combatting, Containment and relief efforts against the coronavirus outbreak and similar pandemic like situations in the future. Our Contributions made to the fund are fully exempted from Income Tax under Section 80G of Income Tax Act, 1961. BOI Staffs donated Rs 9.14 Crore to PM- Care funds.

**STAR SAHAY- COVID19 Salary Advance:** Interest free advance to the tune of one month gross salary to all the employees recoverable in 10 equal monthly instalments.

**STAR KUTUMB:** Interest free Medical Emergency Loan for hospitalization expenses to COVID infected staff members and / or family members requiring hospitalization.

**"Star Aabhaar"**- COVID-19 Compensation Scheme for Employees working in Branches / Offices during lockdown period, the apprehension amongst staff members is well founded and it is difficult to devise any compensation matching to the risk being faced by employees. However, as a token of gratitude for the contribution by employees in this time of crisis; Our Bank has announced a compensation scheme called 'Star Aabhaar'. Bank's approval for payment of "One -Day's Salary (Basic pay + DA) for every 6 working days on which an employee has put active duty in the Branch.

**"STAR AABHAAR LIFE COVER"** Compensation Scheme for Employees working in Branches / Offices during this period, Life Covers of Rs.20.00 lakhs for any misfortunate happens to any staffs due to COVID 19.

**"Star Aabhaar – Health Guard"**: One of the important safety measures to contain the spread of COVID-19 is to ensure overall hygiene through personal sanitization and sanitization of workplace. In view of the above and as part of 'Star Aabhaar' scheme now Our Bank has approved HEALTH GUARD facility wherein **one time lump sum amount of Rs. 1200/- per employee** towards sanitization expenses will be directly credited to the salary account of employees.

**"Star Hunt Scheme"** – Talent identification in areas like Corporate Credit, MSME Credit, Retail, Risk Management, Finance, international Banking, Agri and Social Banking (Financial Inclusion) for Officers MMG-III ( those who are appearing in Promotion Process from Scale II to Scale III may also apply) &SMG-IV to be posted in Head Office and Large Corporate Branches. Applicants can apply through HRMS and Selection to be done on the basis of Written response, Interview and APR.

BOI has published **the customer's rights on our website** in Hindi, English and Marathi as a pictorial booklet for the benefit of customers and branches.

The book named **"Bank Grahko ke Adhikar"** was printed and distributed to all the branches.

**Most important terms & conditions (MITC)** printed and being distributed to all the new customer through welcome kit.

Increased focus on **Area based lending schemes**. Approved various new cluster schemes in the recent past.





**Re-launching the Channel Finance Scheme** with aggressive pricing and relaxed norms through a digital platform for financing to forward and backward linkage of large corporate/ industrial houses.

**Digitalizing the process of Credit underwriting** to improve the TAT and efficiency.

To further boost growth under **MUDRA** launched various **MUDRA centric schemes** like Star Weaver MUDRA Scheme, Star e Rickshaw Scheme etc.

**Stressed Asset Management Vertical (SAMV)** created for faster resolution of Stressed assets/NPAs.

**FATCA/CRS:** Branches to affix self-declaration FATCA/CRS rubber stamp on all new accounts opening form with immediate effect.

**Business Initiatives:** Banking, being an essential service to the public at large, the field level staff are more prone to Covid-19 infections. Keeping this in view, the Bank has formulated comprehensive SOP/advisories for implementation, not only to ensure safety and well-being of the staff but also to ensure continuity of services. Apart from this, in order to alleviate the financial stress on account of infection and treatment, the Bank has formulated various employee-oriented schemes and measures. In line with the GOI initiative for cashless and digital nation, Payment gateway solutions provided for various government, PSU and autonomous organization (such as NHAI, National Seeds corporation, RITES India Ltd, BHEL etc).

**STRATEGY FOR IND-AS IMPLEMENTATION AND ITS PROGRESS:** RBI vide its circular DBR.BP.BC.No.29/21.07.001/2018-19 dated March 22, 2019, **deferred implementation of Ind AS** till further notice as the legislative amendments in Banking Regulation Act, 1949, as recommended by RBI are under consideration of the Government of India. Bank has been submitting quarterly **Proforma Ind AS Financial Statements (PFS)** from June-2018 after discussion/ approval by Steering Committee. The PFS are also presented to Audit Committee of Board along-with the overall progress report regarding Ind AS implementation. Bank is now in the process of acquiring new systems and modifications / changes in existing core banking system for smooth implementation of Ind AS.

**MARKETING & PUBLICITY:** Bank's Publicity and Public Relation Department executes multi-media corporate campaigns to enhance the visibility of Bank's products and services along with image building. Bank's various products down the line across the country are executed by various media plan, on the lines of Bank's theme "**Relationship Beyond Banking**". Bank has been continuously undertaking the publicity of Bank's products through Radio channels, Television and Digital platform in a big way. The promotion of Bank's product through print media in major national / regional dailies and various top magazines and Out Of Home (OOH) activities i.e. hoarding/Bill Boards/ Gantries is also undertaken. **COVID-19 related** specific loans/working capital/scheme promotion has been done using SMS and custom URL, using our BOI website. It also helps us in monitoring to generate leads and facilitate timely credit to interested customer.

**DIVIDEND DISTRIBUTION POLICY:** In terms of Clause 43A of SEBI-Listing Obligation and Disclosure Requirement Regulations, Bank has formed a Dividend Distribution Policy and the same is available on our website - <https://www.bankofindia.co.in/pdf/DDP.pdf>



**BUSINESS RESPONSIBILITY REPORTING-2020-21** In terms of Clause 32 (2) (F) of SEBI-Listing Obligation and Disclosure Requirement Regulations, the Business Responsibility Report is available on our website - [www.bankofindia.co.in](http://www.bankofindia.co.in)

**Management Committee of the Board:** The Management Committee of the Board is constituted as per the provisions of the Nationalized Banks (Management & Miscellaneous Provision) Scheme, 1970. The Management Committee exercises all the powers vested in the Board in respect of financial sanctions, compromises/write off proposals and filing of suits/appeals, etc. As on 31.03.2020, it comprised of 6 members consisting of the Managing Director and CEO, 2 Executive Directors, RBI Nominee Director and 2 other Directors.

**CAPITAL:** During the current financial year, Bank has received Rs. 3,000 crore from Government of India for preferential issue of equity shares. The same is kept in Share Application Money Account, pending allotment of Shares. Bank has raised Rs. 1,352 crore by issue of Basel III compliant Additional Tier I bonds during the financial year.

**During the financial year, Bank has redeemed the following bonds by exercising call option:**

Particulars	Amount (Rs. in crore)	Date of redemption
8.48 % Upper Tier II Bonds Series-VI	1,000	11.06.2020
9.05% BOI — IPDI Bonds -Series VI	300	09.09.2020

**The Bank has raised the following capital by issue of Equity Shares:**

Date of Allotment	Particulars (Investors)	Number of Shares/ Bonds	Price per Share	Amount (Rs. in Crore)	Details
20.04.2019	Government of India	51,76,33,928	89.60	4,638.0	Preferential issue to the GOI

**Listing on Stock Exchanges** The shares of the Bank are listed on The BSE Ltd. and The National Stock Exchange of India Limited. The stock scrip codes are as follows:

The BSE Ltd.	(BSE) 532149/ BANKINDIA
National Stock Exchange of India Limited	(NSE) BANKINDIA EQ
ISIN Number	INE084A01016



Annual listing fee for 2020-21 has been paid to both of the stock exchanges.

**De-mat Account** holder must have one Trading account for Sale/purchase of shares in secondary Capital market in any of the Broker firm. For this purpose Our Bank have tie -up with three Brokers who are providing the services of 3-in-1 account i.e. De-mat account, Trading account and saving account for settlement.

1. **M/S. GEPL Capital Pvt.Ltd.**
2. **M/S. Ajcon Global Services Limited.**
3. **M/S. Asit C Mehta Investment intermediates ltd.**

The Government of India under “VahanSewa” has launched a SMS Service for verification of vehicle’s financier.

Know your DL Status: [https://parivahan.gov.in/rcdlstatus/?pur\\_cd=101](https://parivahan.gov.in/rcdlstatus/?pur_cd=101)

	Vehicle Details	DL Details
SMS TO	7738299899	8790499899
SMS Format	VAHAN<space><vehicle registration number without space>	SARDL<space><DLNumber>
Example	VAHAN MH43AX1690	SARDL MH032014000100

**Star Bonding initiative under Employee Engagement & Connect for the financial year 2021-22:** 'Star Bonding' initiative under Employee Engagement & Connect envisaging therein the 5 initiatives to be undertaken with an objective to strengthen the psychological and emotional connect of employees with their work place.

2. In this regard, we have to inform you that the Board in its meeting held on 30.07.2021 has directed to utilize the CSR fund towards one of the five Star Bonding Initiatives i.e. "**Local Community Service / Social activity**" in the following proportion (as approved for CSR fund):

(i) 70 % of the allocated fund towards Star Bonding Initiative to be utilized for the focus / priority area of **Swachh Bharat Abhiyan**, empowering girl child under Beti Bachao Beti Padhao and Environmental sustainability and ecological balance.

(ii) 30% of the allocated fund towards Star Bonding Initiative to be utilized for the focus/priority area of Basic Education / Skill Development, promoting Renewable energy, Supporting Physically challenged and Health & Family Welfare including Social Welfare.

3. The Board has further submitted its observations on Annual Publicity Budget for FY 2021-22 that since 'Star Bonding' is already included under the CSR Budget, no separate allocation for 'Star Bonding' may be released from Publicity Budget. Moreover, the Government of India has recently directed to reduce 200/o of controllable items of expenditure.

a limited budget has been allocated under star Bonding for "Local community Service / social activity" from CSR Budget, for the financial yeat 2021-22. Therefore, the Branches are



advised to engage in the Community service / social activity qly once. for the current year i.e. 2021-2022. The cost of the budget towards the said activity should be spent only once in year and the cost should not exceed maximum of Rs.5,000/- in Rural / Semi-Urban areas and maximum of Rs.10,000/- in the Metro/Urban areas.

**“Taara Sitara”**- BOI's special films under 'Taara Sitara' series which carried relevant awareness messages on card frauds and interbank cooperation to prevent frauds.

**Information Security Portal:** contains materials for Circular and policy, education & awareness programme and tech news.

**Gyan Patal:** Learning News, online knowledge test materials, schedules and online feedback on locational workshop by AMO's available in this portal.

**Security Net (BOI)** – Quarterly Newsletter that gives information on IT related update on our Bank.

**Meghtaara-** Hindi Bank of India's Quarterly House Journal Magazine.

**The Indian Banker-** The monthly journal published by the Indian Banks Association.

**Guiding Star (BOI)-** a Corporate thought magazine from Bank of India.

**BANK'S HOUSE JOURNAL 'TAARANGAN':** The journey of our Bank's house Journal began in the year 1964. During the years it assumed different names and is presently known as 'Taarangan'. It has been a medium of expression of BOI's in-house talent and also an important tool for employee engagement. Taarangan provides a platform to our staff members to showcase their skills. Through its interesting and insightful articles Taarangan provides wholesome entertainment to our readers. Taarangan is also a forum for knowledge sharing wherein articles on various subjects by our staff members are published. It also covers and highlights various activities conducted by Zones/Branches/ Offices/ Overseas Centres. **Digital copy of Taarangan** is also available in staff portal “Star desk”, “HRMS” and on Bank's corporate website.

**BOI Vaarta:** Bank of India's Quarterly House Journal RAJBHASHA Hindi Magazine (Published for promotion of Hindi Language amongst employees as per GOI Official Language Policy).

**Sandipani-** This handbook consists of updated Circulars, guidelines, instructions about our bank deposits & advances products and government schemes. It is published & updated quarterly in bi lingual.

**Star Companion-** Star Companion contains Comprehensive information to all the officers on each and every aspect of Bank Of india ((Officers) Service Regulation 1979, Bank of india Officer (Employees) Conduct Regulations 1976, Bank of india Officers (Employees) Discipline & Appeal Regulations, 1976, Bank of India Pension Regulations, 1995, Training Policy, posting abroad, Organizational Structure along with information on other facilities provided by the Bank.

**KRISH-** This portal contains advances, deposits, closing, Card products department, EDPMS, Escalation matrix, FATCA, Knowledge Sharing, Help desk and FAQs documents for branch.

**BOI-SAFE** This is an SSL-VPN (Secured Socket Layer – Virtual Private Network) solution which provides access to our critical Infrastructure / Applications to our employees from





Internet without compromising security. As an additional benefit, it also provides 2FA (Two Factor Authentication) and SSO( Single Sign On) functionality for selected web applications to the users. It is used to access bank applications securely. You can access MMS, HRMS, STARDESK, Web-Emerge, BO (Business Object) Report, CAPS (Credit Application Processing System), CFS (Centralised Feedback System) and Finacle through BOI SAFE.

Bank has introduced **Prime Minister Awas Yojana** of GOI initiative for “Housing for All (urban)” Mission being implemented during 2015-2022.

**PADHO PARDESH SCHEME** - Interest subsidy for students from minority communities for pursuing studies abroad.

**MISSION SHODHAN:** Considering the importance of data and its correction a high powered Task Force under the guidance of Two Executive Directors has been formed. A VC has been scheduled on date **18.12.2021** which shall be chaired by MD & CEO in the presence of Executive Directors Shri P R Rajagopal and Shri Swarup Dasgupta. The Head Office Task Force General Managers will be present in the interaction. All branches to correct the data of **Active SB & CD accounts: 95% minimum and correct the data of Inactive SB & CD accounts: 20 % minimum by 31.01.2022 positively.** The Specified Person of Contact (SPOC) for Finacle 10 migration shall be touch point at branches.

**“Ghar Ghar Dastak / Star Mahostav”** – Monthly Campaign called “Ghar Ghar Dastak / Mahostav” being organized 7<sup>th</sup> of every month for speeding up CASA, NPA Recovery and Credit disbursement, maximum possible / prospective customers and focus on RAM & Prime Credit.

**APY Campaign** – Zone’s target for FY 2020–21: 60 per branch.

**DC & DR servers** are located at xxxxxxxx and xxxxxxxx respectively.

**Debit Cards (Block) Hot listing** numbers Are: **1800 42 51 112 (Toll free)**

**Credit Cards Hot listing** numbers Are: **1800 22 00 88, 022-40426006.**

A new menu in finacle has been enabled **DCSER** for 1. **Card status change (S)** Active-50, Temporary Block-60 and Hotlisted-43. 2. **Channel Access(C)** for enabling/ disabling the channels ATM/POS/ ECOM/Contactless for a particular card both domestic and international transactions. 3. **Limit Change (L)** for changing the channel wise calendar day limit for a particular card both domestic and international transactions

**Introducing Block UPI:** BOI has introduced BLOCK UPI Functionality. Any BOI Customer needs to Block UPI to stop unauthorized access, Customer has to send a SMS to the number **7303833885** to block the UPI Functionality. SMS Format : BLOCKUPI <Registered\_MobileNo>

UPI based failed transactions can be raised through Menu **DTREV** in finacle.

**Mobile Banking OTP Mobile Number:** 9810558585 (starotp to 9810558585).

**Cheque Book apply mobile number:** Send the message to 7669300024. CHBS<>15 Digit A/C No<>ADR (Delivery address) **AND** CHBS<>15 Digit A/C No<>BR (Delivery Branch). NRI customer has to send his/her request to +917669300024.

**IMT Request:** Adding IMT Beneficiary: IMT (Ben 10 Digit Mob NO)#Ben Name#Ben Add#Ben PIN Code Send the above message to +919223009988.



**Balance Enquiry Number:** Correct Combination of Miss Call Balance Enquiry No. Domestic and NRE - 09015135135 & 09015190202 & 09266135135.

**General Enquiries: Customer Care Number Toll free:**  
1800 103 1906 / 1800 220 229 (Tollfree) / (022) – 40919191 (chargeable number) 24 X 7.

**RTGS Timings are:** The RTGS service window for customer transactions is available to banks from 8 am to 4.30 pm on a working day, for settlement at the RBI end and RTGS timings for Inter banks transaction from 8 am to 7.45 pm on working day.

**The Reserve Bank of India has announced that the Real Time Gross Settlement (RTGS) system** will be made available round the clock on all days of the year with effect from 00:30 hours on December 14, 2020. Presently RTGS system is available for customers between 7:00 AM and 6:00 PM. The Reserve Bank of India (RBI) has decided to set up an **Automated Banknote Processing Centre (ABPC)** in Jaipur for the receipt, storage and dispatch of currency notes.

**NEFT:** The NEFT service window for customer transactions is available **24x7** or half hour settlement on a working day. There is no limit – either minimum or maximum – on the amount of funds that could be transferred using NEFT. However, maximum amount per transaction is limited to 50,000/- for cash-based remittances within India and also for remittances to Nepal under the Indo-Nepal Remittance Facility Scheme. NEFT can be used to transfer funds from/to NRE and NRO accounts in the country. This, however, is subject to the adherence of the provisions of the Foreign Exchange Management Act, 2000 (FEMA) and Wire Transfer Guidelines.

**IFSC:** IFSC (Indian Financial System Code) is an alpha-numeric code that uniquely identifies a bank-branch participating in the NEFT system. This is an 11 digit code with the first 4 alpha characters representing the bank, and the last 6 characters representing the branch. The 5th character is 0 (zero). IFSC is used by the RTGS/NEFT system to identify the originating / destination banks / branches and also to route the messages appropriately to the concerned banks / branches.

**UTR number:** Unique Transaction Reference number is a **22-character code** used to uniquely identify a transaction in RTGS system.

**Special Credit Scheme: Our Bank has launched special credit schemes in COVID 19 situation to counter the pandemic situation like ...**

COVID-19 Personal loan/Pensioner loan.

COVID Emergency credit loan.

Kishan Tatkal loan scheme COVID-19.

BOI samanya credit card COVID-19.

COVID – 19 emergency support systems scheme 2020 (CESS-2020)

PM SVANidhi AtmaNirbhar loan to “Street Vender” launched.

Proactive measures sanitization, fumigation, etc ) taken up at branch, Office and ATMs.

Bank has also undertaken various activities to support corona warriors by distributing Face masks, gloves, food packets and grocery items etc.

## **REGULATORY INSTITUTIONS & ECONOMY**

**Union Finance Minister : Mrs Nirmala Sitharaman**



**Minister Of State For Finance: Mr Anurag Singh Thakur**  
**IBA Chairman: Mr A K Goel (MD&CEO UCO Bank)**

**I) Reserve Bank of India** was established on April 1, 1935 in accordance with the provisions of the **Reserve Bank of India Act, 1934**. The Central Office or Head Office of the Reserve Bank is in Mumbai. RBI was nationalized in 1949, the Reserve Bank is fully owned by the Government of India. Have **27 regional offices, most of them in state capitals and 04 Sub-offices**. The Reserve Bank of India Museum, located in Kolkata.

**Governor – Shri. Shaktikanta Das,**

**Deputy Governors** – 1. Shri M.R Rao 2. Dr. M. D. Patra, 3. Shri T. Rabi Sankar & 4. Shri Mahesh Kumar Jain.

### **Main Functions (Monetary Authority)**

- Formulates implements and monitors the monetary policy.
- Objective: maintaining price stability while keeping in mind the objective of growth.

### **Regulator and supervisor of the financial system:**

**Manager of Foreign Exchange:** Manages the Foreign Exchange Management Act, 1999.

- **Objective:** to facilitate external trade and payment and promote orderly development and maintenance of foreign exchange market in India.

**Issuer of currency:** Issues and exchanges or destroys currency and coins not fit for circulation.

- **Objective:** to give the public adequate quantity of supplies of currency notes and coins and in good quality.

**Developmental role: Banker to banks:** maintains banking accounts of all scheduled banks.

**The Deposit Insurance and Credit Guarantee Corporation DICGC:** It was established on 15-07-1978 under DICGC Act, 1961. With a view to providing a greater measure of protection to depositors in banks the **Deposit Insurance and Credit Guarantee Corporation, a wholly owned subsidiary of the Reserve Bank of India**, has raised the limit of insurance cover for depositors in insured banks from the present level of ₹1 lakh to ₹5 lakh per depositor. The deposits worth Rs 76 lakh crore were insured under the DICGC Act providing full coverage to around 98 percent of bank accounts and depositors can get insurance money within 90 days in the event of a bank coming under the moratorium imposed by the RBI.

**Depositors Education and Awareness Fund (DEAF):** Under Section 26 of the Banking Regulation Act, 1949 Banks are required to classify a deposit account as unclaimed deposit if there is no transaction in the account for the a period of 10 YEARS & ABOVE. All such unclaimed deposit required to be transferred to RBI to be credited into DEAF.

<b>Key Policy Rates</b>	
Policy Repo Rate	4.00%
Reverse Repo Rate	3.35%
Marginal Standing Facility Rate	4.25%
Bank Rate	4.25%
<b>Reserve Ratios</b>	
CRR	4.0%
SLR	18.00%
<b>Lending/Deposits Rates</b>	
Base Rate	7.25% - 8.80%





MCLR (Overnight)	6.50% - 7.00%
Savings Deposit Rate	2.70% - 3.00%
Term Deposit Rate > 1 Year	4.90% - 5.50%

Money Market: Call Rates: 2.00% -3.45 % \*as on previous day.

### 1. What is a Repo Rate?

A: Repo rate is the rate at which Commercial banks borrow rupees from RBI. Whenever the banks have any shortage of funds they can borrow it from RBI. A reduction in the repo rate will help banks to get money at a cheaper rate. When the repo rate increases, borrowing from RBI becomes more expensive.

### 2. What is Reverse Repo Rate?

A: This is exact opposite of Repo rate. Reverse Repo rate is the rate at which Reserve Bank of India (RBI) borrows money from banks. RBI uses this tool when it feels there is too much money floating in the banking system. Banks are always happy to lend money to RBI since their money is in safe hands with a good interest. An increase in Reverse repo rate can cause the banks to transfer more funds to RBI due to this attractive interest rates.

### 3. What is CRR Rate?

A: Cash reserve Ratio (CRR) is the amount of funds that the banks have to keep with RBI. If RBI decides to increase the percent of this, the available amount with the banks comes down. RBI is using this method (increase of CRR rate), to drain out the excessive money from the banks.

### 4. What is SLR Rate?

A: SLR (Statutory Liquidity Ratio) is the amount a commercial bank needs to maintain in the form of cash, or gold or govt. approved securities (Bonds) before providing credit to its customers. SLR rate is determined and maintained by the RBI (Reserve Bank of India) in order to control the expansion of bank credit.

### 5. What is Bank Rate?

A: Bank rate, also referred to as the discount rate, is the rate of interest which a central bank charges on the loans and advances that it extends to commercial banks and other financial intermediaries. Changes in the bank rate are often used by central banks to control the money supply.

### 6. What is Inflation?

A: Inflation is as an increase in the price of bunch of Goods and services that projects the Indian economy. An increase in inflation figures occurs when there is an increase in the average level of prices in Goods and services. Inflation happens when there are fewer Goods and more buyers; this will result in increase in the price of Goods, since there is more demand and less supply of the goods.

### 7. What is Deflation?

A: Deflation is the continuous decrease in prices of goods and services. Deflation occurs when the inflation rate becomes negative (below zero) and stays there for a longer period.

### 8. What is PLR?

A: The Prime Interest Rate is the interest rate charged by banks to their most creditworthy customers (usually the most prominent and stable business customers). The rates reported below are based upon the prime rates on the first day of each respective month. Some banks use the name "Reference Rate" or "Base Lending Rate" to refer to their Prime Lending Rate.





## **Sovereign Gold Bond Scheme 2021-22 Series VIII - Issue Price**

RBI press release dated October 21, 2021, the Sovereign Gold Bond Scheme 2021-22 - Series VIII will be open for subscription for the period from November 29, 2021 – December 03, 2021. The nominal value of the bond based on the simple average closing price [published by the India Bullion and Jewellers Association Ltd (IBJA)] for gold of 999 purity of the last three business days of the week preceding the subscription period, i.e. November 24, November 25 and November 26, 2021 works out to ₹4,791/- (Rupees Four thousand seven hundred and ninety-one only) per gram of gold.

Government of India, in consultation with the Reserve Bank of India, has decided to offer a discount of ₹50/- per gram on the nominal value to those investors applying online and the payment against the application is made through digital mode. For such investors, the issue price of Gold Bond will be ₹4,741/- (Rupees Four thousand seven hundred and forty-one only) per gram of gold.

SGBs are Government Securities denominated in grams of gold. Investors have to pay the issue price in cash and the bonds are redeemed in cash on maturity. Investors get interest every year during the 8 year tenor. Investments in the bonds are at current prices and redemption at the price trend during maturity.

## **BRICS Chair 2021: BRICS Economic Bulletin 2021**

As a part of initiatives under India's Chair of the BRICS, the Reserve Bank of India is releasing the BRICS Economic Bulletin 2021 prepared by the BRICS Contingent Reserve Arrangement (CRA) Research Group with members from BRICS central banks. The CRA Research Group was set up to enhance research, economic analysis and surveillance capacity of the BRICS.

The BRICS Economic Bulletin 2021 addresses the theme of '**Navigating the Ongoing Pandemic: The BRICS Experience of Resilience and Recovery**', covering the economic recovery and its divergences, inflation risks, external sector performances, financial sector vulnerabilities and other macroeconomic risks.

**SLR holdings in HTM category** : As per extant guidelines, banks can exceed the limit of 25 per cent of the total investments under **Held to Maturity (HTM)** category if the excess comprises only of SLR securities and total SLR securities held under HTM category is not more than 19.5% of Net Demand and Time Liabilities (NDTL) as on the last Friday of 2nd preceding fortnight. On 1.9.20, banks were allowed to hold under HTM category, SLR securities acquired on or after September 1, 2020 up to an overall limit of 22% of NDTL, up to March 31, 2021. RBI decided (12.10.20) to extend the dispensation of the enhanced HTM limit of 22%, for SLR securities acquired between Sept 1, 2020 and March 31, 2021, up to March 31, 2022, i.e. banks may hold such excess SLR securities in HTM category upto 31.03.2022. RBI also decided that the enhanced HTM limit shall be restored to 19.5% in a phased manner, beginning from the quarter ending June 30, 2022, i.e. the excess SLR securities acquired by banks during the period Sept 1, 2020 to March 31, 2021 shall be progressively reduced such that the total SLR securities held in the HTM category as a percentage of the NDTL does not exceed 21% as on 30.06.22, 20% as on 30.09.22 and 19.50% as on 31.12.22.

## **Individual Housing Loans – Rationalisation of Risk Weights**



In terms of circular dated 7.6.2017, the capital charge for claims secured by residential property falling under the category of individual housing loans is assigned differential risk weights based on the size of the loan as well as the loan to value ratio (LTV). RBI decided (16.10.20) to rationalise the risk weights, irrespective of the amount. The risk weights for all new housing loans to be sanctioned on or after the date of this circular and up to March 31, 2022 shall be as under:

LTV Ratio (%)	Risk Weight (%)
up to 80%	35
> 80% and up to 90 %	50

Standard asset provision of 0.25% shall continue to apply. The LTV ratios, Risk Weights and Standard Asset Provision for all loans sanctioned prior to the date of this circular shall continue to be as prescribed on 7.6.2017.

**Farmer Producer Organisation (FPO):** The Union Minister of Agriculture and Farmers' Welfare, Narendra Singh Tomar virtually inaugurated Honey **Farmer Producer Organisation (FPO)** Programme in five states, for producing honey. The Honey FPO Programme aims to address the issues faced by the beekeeping industry and also promote honey production in the country. This will also help in achieving the goal of increasing farmer's income.

These 5 FPOs will be set up by the National Agricultural Cooperative Marketing Federation of India Limited (NAFED). They will be set up at • East Champaran (Bihar) • Morena (Madhya Pradesh) • Bharatpur (Rajasthan) • Mathura (Uttar Pradesh) • Sunderbans (West Bengal)

**Cabinet approves Atmanirbhar Bharat Rojgar Yojana:** The Union Cabinet has given its approval for Atmanirbhar Bharat Rojgar Yojana (ABRY) to boost employment in the formal sector by encouraging the businesses to do fresh hiring amid the pandemic. ABRY will also incentivize the creation of new employment opportunities under Atmanirbhar Bharat Package 3.0.

**About the Yojana:** • The Cabinet has approved an expenditure of ₹ 22,810 crores for the entire scheme period from 2020 to 2023. • The scheme will provide subsidy for two years in respect of new employees engaged on or after October 1, 2020, and up to June 30, 2021. • The government will pay both 12 per cent employees' contribution and 12 per cent employers' contribution i.e. 24 per cent of wages towards EPF in respect of new employees in establishments employing up to 1,000 employees for two years. • It will pay only employees' share of EPF contribution i.e. 12 per cent of wages in respect of new employees in establishments employing more than 1,000 employees for two years.

**Eligibility** • An employee drawing monthly wage of less than ₹ 15,000 who was not working in any establishment registered with the **Employees' Provident Fund Organisation**



(EPFO) before October 1, 2020, and did not have a **Universal Account Number (UAN)** or EPF Member account number prior to October 1, 2020, will be eligible for the benefit. Any EPF member possessing Universal Account Number (UAN) drawing monthly wage of less than ₹ 15,000 who made exit from employment during COVID pandemic from March 1, 2020, to September 30, 2020, and did not join employment in any EPF covered establishment up to September 30, 2020 will also be eligible to avail benefit.

**Centre Launches QRMP scheme for GST payers:** The Central Government has launched 'Quarterly Return filing & Monthly Payment of Taxes (QRMP)' scheme for small taxpayers under the GST system. Taxpayers with an aggregate annual turnover of up to Rs 5 crore in the preceding financial year and have filed their October GSTR-3B (sales) return by November 30, 2020, are eligible for this scheme. The notifications for the same were issued by the Central Board of Indirect Taxes and Customs (CBIC).

**About QRMP Scheme:** • Persons with aggregate turnover up to Rs 5 crore would be allowed to furnish their GSTR-1 and GSTR3B returns on a quarterly basis, beginning January-March quarter of 2020-21. Quarterly GSTR-1 and GSTR-3B can also be filed through an SMS.

- Taxpayers can also make GST payments every month, through challan, with effect from January 1, 2021.
- This can be done either by self-assessment of monthly liability or 35% of net cash liability of previous filed GSTR-3B of the quarter.
- Under this, the registered person or a taxpayer will furnish a return for every quarter, under sub-rule (1) of rule 61A of the Central Goods and Services Tax Rules, 2017 and pay the monthly tax under subsection (7) of section 39 of the same Act.
- After the above changes, the act is named as the Central Goods and Services Tax (Thirteenth Amendment) Rules, 2020.

**India ranks 131 in Human Development Index 2020:** The Human Development Index measures average achievement of the countries in 3 basic dimensions of human development i.e. life expectancy, education and per capita income. According to the report released by the United Nations Development Programme (UNDP), Norway topped the index, followed by Ireland, Switzerland, Hong Kong and Iceland, the report showed.

**UNEP announces 2021 Champions of the Earth Award:** The UN Environment Programme (UNEP) has announced six laureates of the 2021 Champions of the Earth award, the UN's highest environmental honour. The Champions were chosen for their transformative impact on the environment and their leadership in urging bold and decisive action on behalf of the planet and its inhabitants. The Champions of the Earth Award is presented in 5 categories: 1. Lifetime Achievement, 2. Inspiration and Action, 3. Policy Leadership, 4. Entrepreneur Vision, 5. Science and Innovation. **Prime Minister Mia Mottley of Barbados** was honoured in the Policy Leadership category for her "Powerful Voice" UNEP 2021 **Champions of the Earth for Policy Leadership.**

**NITI Aayog releases 'Vision 2035: Public Health Surveillance in India:** NITI Aayog has released a white paper titled 'Vision 2035: Public Health Surveillance in India' on 14





December 2020. The 'Vision 2035: Public Health Surveillance in India' is a continuation of the work on Health Systems Strengthening. The building blocks for this vision are an interdependent federated system of governance between the Centre and states. Public health surveillance (PHS) is an important function, requiring primary, secondary, and tertiary levels of care. • The white paper lays out India's vision of 2035 for public health surveillance through the integration of the three-tiered public health system into Ayushman Bharat.

**Bombay Stock Exchange (BSE) Ltd.** has launched an electronic spot platform, “**BSE E-Agricultural Markets Ltd (BEAM)**”, for agricultural commodities through its subsidiary BSE Investments Ltd. The platform aims to boost the competitiveness of the Indian agricultural market by enhancing the strength of the BSE in financial markets, market technology and its vibrant ecosystem.

**Regulatory Framework for HFCs On 22.10.20, RBI approved the revised framework or Housing Finance Companies (HFCs).** Principal business and housing finance Housing finance company is a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

- It is an NBFC whose financial assets, in the business of providing finance for housing, constitute min 60% of its total assets (netted off by intangible assets).
- Out of the total assets (netted off by intangible assets), min 50% should be by way of housing financing for individuals.
- A company is treated as an NBFC if its financial assets are more than 50% of its total assets (netted off by intangible assets) and income from financial assets should be more than 50% of gross income. Note: Integrated housing project comprising some commercial spaces (e.g. shopping complex, school, etc.) can be treated as residential housing, provided that the commercial area in the residential housing project does not exceed 10% of the total Floor Space Index (FSI) of the project.

Registered HFCs which do not currently fulfil the above criteria, but wish to continue as HFCs, shall be provided with the following timeline for transition:

	1*	2*
March 31, 2022	50%	40%
March 31, 2023	55%	45%
March 31, 2024	60%	50%

\*1. Min %age of total assets towards housing finance.

\*2. Min %age of total assets towards housing finance for individuals.

**Net Owned Fund (NOF) Requirement** Rs. 20 cr as min NOF required for a company to commence housing finance as its principal business or carry on the business of housing finance as its principal business. Existing HFCs are to achieve NOF of Rs.15 cr by March 31, 2022 and Rs.20 cr, by March 31 2023.





**Framework for Recognition of a Self Regulatory Organisation for Payment System Operators** RBI circulated the framework on 22.10.20 to encourage the establishment of a Self-Regulatory Organisation (SRO) for Payment Systems Operators (PSOs). An SRO is a non-governmental organisation that sets and enforces rules and standards relating to the conduct of member entities in the industry, with the aim of protecting the customer and promoting ethical and professional standards. Regulations, standards, dispute resolution and enforcement by an SRO get legitimacy not just by mutual agreement of its members, but also by the efficiency with which self-regulation is perceived to be administered. Such regulations supplement, but do not replace, applicable laws or regulations.

**Automation of IRAC (NPA) accounting** On 04.08.11, RBI had advised banks to have BANKING POLICY appropriate IT system in place for identification of Non Performing Assets (NPA) and generation of related data/returns, both for regulatory reporting and bank's own MIS requirements. To ensure the completeness and integrity of the automated Asset Classification (classification of advances/investments as NPA/ NPI and their upgradation), Provisioning calculation and Income Recognition processes, banks were advised by RBI on 14.09.20, to put in place / upgrade their systems by June 30, 2021.

**Coverage:** 1) All borrower accounts, including temporary overdrafts, irrespective of size, sector or types of limits, shall be covered in the automated IT based system (System) for asset classification, upgradation, and provisioning processes. Banks' investments shall also be covered under the System.

2) Asset classification rules shall be configured in the System, as per regulatory stipulations.

3) Calculation of provisioning requirement shall also be System based as per pre-set rules for various categories of assets, value of security as captured in the System and any other regulatory stipulations issued from time to time on provisioning requirements.

4) In addition, income recognition/derecognition in case of impaired assets (NPAs/NPIs) shall be system driven and amount required to be reversed from the income account should be obtained from the System without any manual intervention.

5) The System shall handle both down-grade and upgrade of accounts through Straight Through Process (STP) without manual intervention.

**Frequency:** The System based asset classification shall be an ongoing exercise for both down-gradation and up-gradation of accounts. Banks should ensure that asset classification status is updated as part of day end process. Banks should be able to generate classification status report at any given point of time with actual date of classification of assets as NPAs/NPIs

**PPS - Positive Pay System for CTS (Cheque Truncation System):** As per RBI advise and facility developed by NPCI for participant banks, Positive Pay System functionality is implemented in Internet Banking, Mobile Banking and Finacle CBS for all account holders issuing cheques for amounts of Rs. 50,000 and above for reconfirming key details of large value cheques. It has also said that while availing of the account holder, banks may consider making it mandatory in case of cheque value of Rs. 5 lakh and above.

• Under this process, the issuer of the cheque submits electronically, through channels like SMS, mobile app, internet banking, ATM, etc., certain minimum details of that cheque (like date, name of the beneficiary / payee, amount, etc.) to the drawee bank, details of which are



cross checked with the presented cheque by CTS. Any discrepancy is flagged by CTS to the drawee bank and presenting bank, who would take redressal measures.

**WMA Limit for Govt. of India for 2nd half (October 2020 to March 2021) of Financial Year 2020-21** RBI and Govt., that limits for **Ways and Means Advances (WMA)** will be Rs.1,25,000 crore. The Reserve Bank may trigger fresh floatation of market loans when the Government of India utilises 75 per cent of the WMA limit. The Reserve Bank retains the flexibility to revise the limit at any time, in consultation with the Government of India, taking into consideration the prevailing circumstances. The interest rate on WMA will be Repo Rate and on Overdraft: 2% above the Repo Rate.

### **MSME Sector - Restructuring of Loans**

Further to RBI circular dated 11.02.20, in view of the continued need to support the viable MSME entities on account of the fallout of Covid19 and to align these guidelines with the Resolution Framework for COVID 19 – related Stress announced for other advances, RBI decided on 06.08.20, to extend the scheme permitted in terms of the aforesaid circular. Accordingly, existing loans to MSMEs classified as 'standard' may be restructured without a downgrade in the asset classification, subject to the following conditions:

1. The aggregate exposure, including non-fund based facilities, of banks and NBFCs to the borrower does not exceed Rs.25 crore as on March 1, 2020.
2. The borrower's account was a 'standard asset' as on March 1, 2020.
3. The restructuring of the borrower account is implemented by March 31, 2021.
4. The borrowing entity is GST-registered on the date of implementation of the restructuring. However, this condition will not apply to MSMEs that are exempt from GST-registration. This shall be determined on the basis of exemption limit obtaining as on March 1, 2020.
5. Asset classification of borrowers classified as standard may be retained as such, whereas the accounts which may have slipped into NPA category between March 2, 2020 and date of implementation may be upgraded as 'standard asset', as on the date of implementation of the restructuring plan. The asset classification benefit will be available only if the restructuring is done as per provisions of this circular.
6. As hitherto, for accounts restructured under these guidelines, banks shall maintain additional provision of 5% over and above the provision already held by them.

**DGFT FOR BENEFITS UNDER MEIS:** The Directorate General of Foreign Trade (DGFT) has capped the benefits earned by exporters under the popular Merchandise Export from India Scheme (MEIS) at Rs.2 Crore per exporter on exports made in the four-month period from September 1 to December 31. It has also been notified that any Import-Export Code (IEC) holder who has not made any export for a period of one year preceding September 1 or any new IEC obtained on or after the date of notification will not be eligible for submitting any claim under MEIS. Further the Scheme of MEIS will be withdrawn with effect from January 1, 2021.

**UNION CABINET APPROVES SOCIAL SECURITY CODE:** The Union Cabinet has approved the Social Security Code which will have enabling provision to allow self-employed workers to make voluntary contribution towards the EPF. The Code has made provisions for



contribution from companies towards Gig workers. Further the workers employed in the Gig economy will also be eligible for insurance benefits provided by the State-run ESIS. This is the First Time that such workers will be covered under India's Social Security Law.

**Submission of returns under Section 31 of the Banking Regulation Act, 1949 (AACs) –** Extension of time Under Sec 31 of Banking Regulation Act, 1949 read with Section 56 [as amended by Banking Regulation (Amendment) Ordinance, 2020], accounts and balance-sheet u/s 29 of the Act together with the auditor's report shall be published in the prescribed manner and three copies thereof shall be furnished as returns to RBI within 3 months from the end of the period to which they refer. RBI may in any case extend the said period of three months for the furnishing of such returns by a further period not exceeding three months. The aforesaid Ordinance amending, inter alia, Sec 31 has been notified on 29.06.20 for primary (urban) co-op banks (UCBs) and also as UCBs may be facing difficulties in submission of the returns due to the ongoing COVID-19 pandemic, it is considered necessary to allow more time for submission of the aforesaid return for the financial year ended on March 31, 2020.

**Ad-hoc/Short Review/Renewal of Credit Facilities As per circular dated 7.10.1999** on Risk Management System in Banks, Scheduled Commercial Banks (SCBs) are required to put in place a board approved credit policy, which, inter alia, should prescribe the periodicity and methodology of review/ renewal of credit facilities. The policy should also prescribe differential time schedules for review/renewal of borrower limits so that lower rated borrowers whose financials show signs of problems are subjected to renewal control more frequently. An analysis of practices followed by the lenders while reviewing/renewing credit facilities has brought out certain supervisory concerns, including that of frequent/repeated ad-hoc review/renewal of credit facilities instead of regular review/renewals, noncapturing and/or inaccurate capturing of review/renewal data in the banking/ information systems, and non-coverage of review/renewal activities under the concurrent audit/internal audit mechanism. On 21.08.20, RBI reiterated that timely and comprehensive review/renewal of credit facilities should be an integral part of the Board approved loan policy and credit risk management framework, and banks should avoid frequent and repeated ad-hoc/short review/renewal of credit facilities without justifiable reasons. Banks have also been advised to capture all the data relating to regular as well as ad-hoc/short review/ renewal of credit facilities in their core banking systems/management information systems and make the same available for scrutiny as and when required by any audit or inspection by Auditors/RBI. Further, the processes governing review/renewal of credit facilities should be brought under the scope of concurrent/ internal audit/internal control mechanism of banks with immediate effect.

**System-based asset classification** - UCBs UCBs have been advised by RBI on 12.08.20 to refer to Master Cir dated 1.7.2015 containing consolidated instructions on income recognition, asset classification, provisioning and other related matters. In order to improve the efficiency, transparency and integrity of the asset classification process, RBI on 12.08.20, decided to implement system-based asset classification in **urban co-operative banks (UCBs)**. The relevant instructions in this regard are as under: 1) UCBs having total assets of Rs.2000 crore or above as on March 31, 2020 shall implement system-based





asset classification with effect from June 30, 2021. 2) UCBs having total assets of Rs.1000 crore or above but less than Rs.2000 crore as on March 31, 2020 and having self-assessed themselves as being under Level III or Level IV on Comprehensive Cyber Security Framework for UCBs shall implement system-based asset classification with effect from September 30, 2021. 3) UCBs which meet the above criteria as at the end of the current or subsequent financial years shall implement system-based asset classification within a period of six months from the end of the financial year concerned. 4) For smooth implementation of the system, all concerned UCBs may conduct pilot/parallel run and evaluate the results for accuracy/integrity of the asset classification in compliance with the applicable RBI instructions so as to ensure that they are ready for implementation of the system-based asset classification from the appointed date. 5) UCBs not meeting the above criteria are also encouraged to voluntarily implement the system-based asset classification in their own interest.

**Loans against Gold Ornaments and Jewellery for Non-Agricultural End-uses** Under the extant guidelines, loans sanctioned by banks against pledge of gold ornaments and jewellery should not exceed 75% of the value of gold ornaments and jewellery. To further mitigate the economic impact of the Covid19 pandemic, on 06.08.20, RBI decided to increase the permissible **loan to value ratio (LTV)** for loans against pledge of gold ornaments and jewellery for non-agricultural purposes from 75 per cent to 90 per cent. This enhanced LTV ratio will be applicable up to March 31, 2021 to enable the borrowers to tide over their temporary liquidity mismatches on account of COVID 19. Accordingly, fresh gold loans sanctioned on and after April 1, 2021 shall attract LTV ratio of 75 per cent.

**Opening of Current Account by Banks - New Rules** The instructions on opening of current accounts as per circular dated 02.07.2015, by banks have been reviewed by RBI on 06.08.20 and the revised instructions are as under: i. No bank shall open current accounts for customers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from banking system. All transactions shall be routed through CC/OD a/c. ii. Where a bank's exposure to a borrower is less than 10% of the exposure of the banking system to that borrower, while credits are freely permitted, debits to the CC/OD account can only be for credit to the CC/OD account of that borrower with a bank that has 10% or more of the exposure of the banking system to that borrower. Funds will be remitted from these accounts to the said transferee CC/OD account at the frequency agreed between the bank and the borrower. Further, the credit balances in such accounts shall not be used as margin for availing any non-fund based credit facilities. In case there is more than one bank having 10% or more of the exposure of the banking system to that borrower, the bank to which the funds are to be remitted may be decided mutually between the borrower and the banks. It may be noted that banks with exposure to the borrower of less than 10% of the exposure of the banking system can offer working capital demand loan (WCDL) / working capital term loan (WCTL) facility to the borrower. iii. Where a bank has a share of 10 per cent or more in the total exposure of the banking system to the borrower, it can provide CC/OD facility as hitherto. iv. In case of borrowers covered under guidelines (5.12.2018) on loan system for delivery of bank credit, bifurcation of working capital facility into loan component and cash credit component shall henceforth be maintained at individual bank level in all cases, including consortium lending. v. In case of customers who have not availed CC/OD facility





from any bank, banks may open current accounts as under: a. In case of borrowers where exposure of the banking system is Rs.50 crore or more, banks shall be required to put in place an escrow mechanism. Accordingly, current accounts of such borrowers can only be opened/maintained by the escrow managing bank.

However, there is no restriction on opening of 'collection accounts' by lending banks subject to the condition that funds will be remitted from these accounts to the said escrow account at the frequency agreed between the bank and the borrower. Further, the balances in such accounts shall not be used as margin for availing any non-fund based credit facilities. While there is no prohibition on amount or number of credits in 'collection accounts', debits in these accounts shall be limited to the purpose of remitting the proceeds to the said escrow account. Non-lending banks shall not open any current account for such borrowers. b. In case of borrowers where exposure of the banking system is Rs.5 crore or more but less than Rs.50 crore, there is no restriction on opening of current accounts by the lending banks. However, non-lending banks may open only collection accounts as defined above. c. In case of borrowers where exposure of the banking system is less than Rs.5 crore, banks may open current accounts subject to obtaining an undertaking from such customers to the effect that customers shall inform the bank(s), if and when the credit facilities availed by them from the banking system becomes Rs.5 crore or more. The current account of such customers, as and when the exposure of the banking system becomes Rs.5 crore or more and Rs.50 crore or more, will be governed by the provisions of para (v) (b) and (v) (a) respectively. d. Banks are free to open current accounts of prospective customers who have not availed any credit facilities from the banking system, subject to due diligence as per their Board approved policies. 2. Banks shall monitor all current accounts and CC/ ODs regularly, at least on a quarterly basis, specifically with respect to the exposure of the banking system to the borrower, to ensure compliance with these instructions. 3. Banks should not route drawal from term loans through current accounts. Term loans are meant for specific purposes, the funds should be remitted directly to the supplier of goods and services. Expenses incurred by the borrower for day to day operations should be routed through CC/OD account, if the borrower has a CC/OD account, else through a current a/c. 4. As regards existing current and CC/OD accounts, banks shall ensure compliance with the above instructions within a period of three months from the date of this circular (i.e.06.08.20).

### **CGTMSE's CREDIT GUARANTEE SCHEME FOR PM Street Vendors' Star Hawker**

**Atamnirbhar Loan (SHAL): AtamNirbhar (PMSVANIDHI)** The Scheme implemented w.e.f. 02.07.20, provides for a Graded Guarantee Cover for loans sanctioned, on portfolio basis. Beneficiaries can avail a Working Capital (WC) loan of up to Rs.10,000 with tenure of 1 year and repay in monthly instalments. No collateral will be taken. On timely or early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit. No prepayment penalty will be charged from vendors for repayment before the scheduled date.

**Guarantee cover basis:** CGTMSE will provide credit guarantee on portfolio basis. All loans sanctioned in a month can be pooled for guarantee cover. Loan should conform to provisions of PM Street Vendors' AtamNirbhar Nidhi (PMSVANIDHI).

**Guarantee fee : Nil**



**Guarantee cover percentage:** Guarantee provided will be a portfolio level guarantee by CGTMSE. All loans given by each Lender under the scheme will be considered as part of one portfolio and the guarantee coverage on the portfolio will be as following:

- 100% guarantee cover up to first 5% loss of the portfolio amount covered under the guarantee.
- 75% guarantee cover beyond 5% up to 15% loss of the portfolio amount covered under the guarantee.
- Maximum guarantee coverage will be 15% of the year portfolio.

**Illustration:** i. Out of a portfolio of Rs.100 crore, if Rs.10 crore turns into NPA, then first Rs.5 crore will be paid in full (i.e. 100% guarantee cover on the eligible amount) For the remaining Rs.5 crore, 75% guarantee cover on the eligible amount would be paid (i.e. Rs.3.75 crore). The total amount paid towards claim would be Rs.8.75 crore. ii. Out of a portfolio of Rs.100 crore, if Rs.20 crore turns into NPA, then first Rs.5 crore will be paid in full (i.e. 100 % guarantee cover on the eligible amount) and for the remaining Rs.15 crore, 75% guarantee cover on the eligible amount (Rs.10 crore) would be paid (i.e. Rs.7.50 crore). The total claim settlement would be Rs.12.50 crore as per the graded guarantee criteria. Invocation of guarantee: Max within 1 year from date of NPA. Claim payment : 75% of eligible claim shall be paid within 30 days. Balance 25% shall be paid on conclusion of recovery process. If later on claim is found to have discrepancies, CGTMSE can recover the amount with interest @ 4% above bank rate.

**PM Street Vendor's AtamNirbhar Nidhi (PMSVANIDHI)** It is a Central Sector Scheme i.e. funded by **Ministry of Housing and Urban Affairs**.

**Eligible States:** It is available in those States/ UTs which have notified Rules and Scheme under Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014.

**Lenders:** Commercial Banks, RRBs, Small Finance Banks, Cooperative Banks, NBFCs, Micro Finance Institutions (MFIs) & SHG Banks

**Eligibility Criteria of Beneficiaries:** It is available to all street vendors engaged in vending in urban areas as on or before March 24, 2020.

**Details of the Product :** Beneficiaries can avail a Working Capital (WC) loan of up to Rs.10,000 with tenure of 1 year and repay in monthly instalments. · No collateral will be taken. · On timely or early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit. · No prepayment penalty will be charged from vendors for repayment before the scheduled date.

**Rate of Interest:** As per RBI guidelines.

**Interest Subsidy:** Vendors can get an interest subsidy @ 7%. · It will be credited into account quarterly. · Lenders will submit quarterly claims for interest subsidy for quarters ending as on June 30, Sept 30, Dec 31 and March 31 for each financial year. · Subsidy will only be considered for Standard Loans of borrower on respective claim dates and only for those months during which the account has remained Standard in the concerned quarter. · The interest subsidy is available up to March 31, 2022. Promotion of Digital Transactions by



**Vendors:** The scheme will incentivize digital transactions by vendors through cash back facility. The onboarded vendors would be incentivised with a monthly cashback in the range of Rs.50 – Rs.100.

**Amendments to ECLGS** On August 01, 2020, Finance Ministry informed that the Emergency Credit Line Guarantee Scheme (ECLGS) will be expanded to include the following: The annual turnover ceiling of borrowers that could avail loans increased to Rs.250 crore from Rs.100 crore. - The maximum amount of loans that can be availed has been increased to Rs.10 crore from Rs.5 crore. - Eligible individuals like doctors and other professionals, can avail themselves of ECLGS if they already had loans for business purposes and subject to condition that they fulfill eligibility criteria. The expansion to include individual loans for working capital.

**Advisory Board for Banking Frauds (ABBF)** ABBF to examine bank fraud over Rs 50 cr and recommend action, was set up on 21.08.19 by Central Vigilance Commission (CVC). Previously, this panel was called the Advisory Board on Bank, Commercial and Financial Frauds. HQ in Delhi, RBI provides required secretarial services, logistic and analytical support along with the necessary funding to the board. The ABBF would function as the first level of examination of all large fraud cases before recommendations or references are made to the investigative agencies by the respective public sector banks (PSBs). It is headed by a former Vigilance Commissioner and the four-member board's jurisdiction would be confined to those cases involving the level of officers of General Manager and above in the PSB in respect of an allegation of a fraud in a borrowal account. Tenure of the Chairman and members would be for a period of two years. Lenders are required to refer all large fraud cases above Rs 50 crore to the board and on receipt of its recommendation or advice, the bank concerned would take further action in such matter. Further, the Central Bureau of Investigation (CBI) may also refer any case or matter to the board where it has any issue or difficulty or in technical matters with the PSB concerned. The board will also periodically carry out frauds analysis in the financial system and give inputs for policy formulation related to the fraud to the RBI. In a bid to check such fraud incidences, the government had issued the 'framework for timely detection, reporting, and investigation relating to large-value bank frauds' to PSBs, which specifies that all accounts exceeding Rs 50 crore, if classified as an NPA, should be examined by banks from the angle of possible fraud, and a report be placed before the bank's Committee for Review of NPAs based on the findings of the investigation. Besides, the PSBs have been advised to obtain a certified copy of the passport of promoters/directors and other authorised signatories of companies taking loan facilities of more than Rs 50 crore.

**RBI's Mobile Aided Note Identifier (MANI)** MANI, a mobile application for aiding visually impaired persons to identify the denomination of Indian Banknotes was launched on 01.01.20. Indian banknotes contain several features which enable the visually impaired to identify them, viz., intaglio printing and tactile mark, variable banknote size, large numerals, variable colour, monochromatic hues and patterns.

**Emergency Credit Line Guarantee Scheme (ECLGS) of NCGTC** The National Credit Guarantee Trust Company (NCGTC) launched the scheme in May 2020. The credit product under ECLGS has been named as 'Guaranteed Emergency Credit Line (GECL)'





**Purpose of the Scheme:** To provide 100% guarantee coverage for GECL, sanctioned in the form of additional working capital term loan (by banks and Financial Institutions) and additional term loan (by NBFCs) to eligible Business Enterprises / Micro, Small and Medium Enterprise (MSME) borrowers, including loans under Pradhan Mantri Mudra Yojana (PMMY), in view of COVID-19 crisis, as a special Scheme.

Finance Ministry informed that the ECLGS will be expanded to include the following :

- The annual turnover ceiling of borrowers that could avail loans increased to 250 crs from Rs 100 crs.
- The maximum amount of loans that can be availed has been increased to Rs.10 crore from Rs.5 crore.
- Eligible individuals like doctors and other professionals, can avail themselves of ECLGS if they already had loans for business purposes and subject to condition that they fulfil eligibility criteria.
- The expansion to include individual loans for working capital.

**Member Lending Institution(s)(MLI):** Banks, Financial Institutions, NBFC (in operation for 2 years as on 29th February, 2020).

**Duration :** Scheme is applicable to all loans sanctioned under GECL from 23.05.20 to 31.10.20, or till an amount of Rs 3,00,000 crore by all in aggregate, is sanctioned under GECL, whichever is earlier.

**Eligible borrower :** All existing borrower as Business Enterprises / MSME / PMMY accounts with outstanding loans of up to Rs. 25 crore as on 29.2.2020, and annual turnover of up to Rs. 100 crore in FY 2019-20.

- Borrower accounts should be less than 60 days past due as on 29th February, 2020 in order to be eligible. i.e. all borrowers which have not been classified as SMA 2 or NPA by any of the MLIs as on 29th February, 2020 will be eligible for the Scheme.
- The business Enterprises can be constituted as Proprietorship, Partnership, registered company, trusts and Limited Liability Partnerships (LLPs) shall be eligible under the Scheme.
- For loans having co-applicant, only those existing loans where entity is the primary co-applicant are covered.
- Loans provided in individual capacity are not covered.
- An 'opt-out' option should be provided to the eligible Business Enterprises / MSME borrowers to enable them to choose whether they wish to opt out of the GECL facility.
- For the purpose of this Scheme it is not necessary that the existing loans of the borrowers should be covered under the existing NCGTC or CGTMSE Scheme.

#### **Loan Amount eligible under Guarantee Coverage**

- The amount would be up to 20% of their total outstanding loans up to Rs. 25 crore as on 29th February, 2020.
- Total Outstanding amount would comprise of the on balance sheet exposure (WC loans, term loans and WCTL loans) only. Off-balance sheet and non-fund based exposures will be excluded.





- In case a borrower has existing limits with multiple lenders, GECL may be availed either through one lender or multiple lenders depending upon the agreement between the borrower and the MLI.
- No NOC will, be required if the GECL availed from a particular lender is limited to the proportional 20% of the outstanding credit that the borrower has with that lender.

**Interest Rate of Credit under the Scheme:** • For Banks and FIs, lending rate linked to one of the external benchmark rates prescribed by RBI +1% subject to a maximum of 9.25% per annum. • For NBFCs, the interest rate on GECL shall not exceed 14% per annum. • no additional processing fee shall be charged by MLIs to borrowers.

**Guarantee Fee:** No Guarantee Fee shall be charged from the MLIs by NCGTC for the Credit facilities provided under the Scheme. Extent of the Guarantee Coverage: The Trustee Company shall provide 100% Guarantee coverage on.

**II) National Bank for Agriculture And Rural Development (NABARD)** - An apex development financial institution in India, headquartered at Mumbai, established on the recommendations of B. Sivaraman Committee, (by Act 61, 1981 of Parliament) on 12 July 1982.

**Chairman** – Dr. G.R. Chintala.

**Functions of NABARD: Credit Functions:**

- Framing policy and guidelines for rural financial institutions.
- Providing credit facilities to issuing organizations
- Monitoring the flow of ground level rural credit.
- Preparation of credit plans annually for all districts for identification of credit potential.

**Development Functions:**

- Help cooperative banks and Regional Rural Banks to prepare development actions plans for themselves.

**III) Small Industries Development Bank of India (SIDBI)** set up on 2nd April 1990 under an Act of Indian Parliament, acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector as well as for co-ordination of functions of institutions engaged in similar activities. SIDBI Head Office is in Lucknow.

**Chairman & Managing Director** Shri Sivasubramanian Ramann.

**Functions of SIDBI**

- SIDBI refines loans extended by the primary lending institutions to small scale industrial units, and also provides resources support to them.
- To expand the channels for marketing the products of Small Scale Industries (SSI) sector in domestic and international markets.
- It provides services like leasing, factoring etc. to industrial concerns in the small scale sector. To initiate steps for technological up-gradation and modernisation of existing units.

**IV) Securities and Exchange Board Of India-SEBI** was established on April 12, 1992 in accordance with the provisions of the Securities and Exchange Board of India Act, 1992. SEBI Head Office is in Mumbai.

**Chairman** – Shri Ajay Tyagi.

**Functions of SEBI:**



## i. Regulatory functions of SEBI

- Every mutual fund or investment plan, before being introduced into the market is to be regulated by this body
- Private placement often leads to various discrepancies because of which certain regulatory measures have been put in place by SEBI, that regulates such operations
- If you are associated with stock exchange in any manner, for example, you might be a share transfer agent, a stockbroker etc, you will then have to be registered with SEBI and this body will regulate your functions
- One of the main functions of SEBI is to oversee the process when one company takes over another one. The audit and inquiries of various stock exchanges are also part of SEBI's function.

**V) Insurance Regulatory and Development Authority of India (IRDAI):** is an autonomous, statutory body tasked with regulating and promoting the insurance and re-insurance industries in India. It was constituted by the Insurance Regulatory and Development Authority Act, 1999, an Act of Parliament passed by the Government of India. The agency's **headquarters are in Hyderabad, Telangana**, where it moved from Delhi in 2001.  
**Chairman – Shri Subhash Chandra Khuntia.**

**The Financial Action Task Force (FATF)** is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally. The FATF's decision making body, the FATF Plenary, meets three times a year and updates these statements, which may be noted.

## GOVT. SPONSORED SCHEMES & FINANCIAL INCLUSION

### NATIONAL RURAL LIVELIHOOD MISSION (DAY-NRLM)

GOI, Ministry of Rural Development launched NRLM in new structure replacing SGSY wef. 01.04.2013, The NRLM is renamed as Dindayal Antyodaya Yojna NRLM (DAY-NRLM) on 29<sup>th</sup> March 2016. for the purpose of poverty reduction through building SHG of poor women. Women SHG under NRLM will consist of 10-20 members from among BPL list. In case of special SHG i.e. groups in the difficult areas, groups of disabled persons and groups formed in remote tribal areas this number may be a minimum 5 persons. Male group cannot be formed except for disabled, elders, Trans genders; such group may have both male and female members with minimum 5 members.

Initially, 250 Districts are identified for the scheme and in future all blocks in the country will be added in the scheme. **NRLM will ensure 50% beneficiaries are SC/STs, 15% are minorities, and 3% are persons with disability. NRLM will be funded by centre & state in the ratio of, 60:40, 90:10 for N E states, 100% by centre in case of UTs.** NRLM will provide continuous hand holding support for 5-7 yrs to SHGs, and will ensure that SHGs are enabled to access repeat finance from banks. SHG is an informal body hence not required any registration under law. KYC/ customer due diligence is required only for office bearers and not for all the SHG members. **PAN number is not mandatory while opening the SB**



**account of SHG.** SHG Federation requires registration as per state law. Federation will be treated as "Association of person".

**Role of banks & revolving fund assistance to SHGs:** Opening SB accounts for SHG, Federation of SHGs. BLBC will take up issues of bank linkages. NRLM would provide Revolving Fund in the form of subsidy to SHGs after existence of 3/6 months, which follow **panchashutra** i.e. **regular meetings / savings/ internal lendings/ recoveries / maintenance of proper books.** RF may be extended between Rs. 10,000/- - Rs. 15,000/- per SHGs. The purpose of RF is to provide financial strength to the SHG.

**Lending norms & repayment facilities:** If group remains in active existence for 6 months and qualifies as per grading norms of NABARD then bank may finance them. In case of CCL/Term loan, banks are advised to sanction minimum loan of Rs.5 lakhs to each eligible SHGs for a period of 5 years with a yearly drawing power (DP). Credit may be given also for consumption purpose such as toilet construction, meeting social needs, debt swapping, construction or repairs of house but In order to facilitate use of loans for augmenting livelihoods of SHG members, it is advised that at least 50% of loans above 2 lakhs and 75% of loans above 4 lakhs be used primarily for income generating productive purposes.

DP for first year/1st dose 6 times to the existing corpus or Rs. 1.00 lakh whichever is higher. In case of term loan Repayment 12 to 18 monthly/ quarterly installments. DP for second year/ 2nd dose 8 times of existing corpus or Rs.2.00 lakh, whichever is higher. In case of term loan Repayment 18 to 24 monthly/ quarterly installments. DP for third year/3rd dose minimum of Rs. 3.00 lakhs based on Micro credit plan prepared by SHGs. In case of term loan Repayment 2-3 yrs. monthly/ quarterly installments. DP for Fourth years onwards/4th dose minimum Rs. 5 lakhs based on Micro credit plan of the SHGs. In case of term loan Repayment between 3-6 yrs monthly/ quarterly installments.

Corpus is inclusive of revolving fund, if any, received by that SHG, its own saving, interest earning by SHG from on-lending to its members and by interest on SB account, income from other sources, and funds from other sources in case of promotion by other institutions/NGO.

**Type of facility:** Term loan/CC or both based on need. While opening the account code "154" to be filled in free code- 3.

**Security & Margin:** No collateral and no margin upto Rs.10 lakhs.

**Subsidy:** Capital subsidy has been discontinued under NRLM. New provision of interest subvention introduced. In 250 intensive districts, Women SHGs will get loan @ 7% interest up to Rs.3.0 lakhs. The SHGs will also get additional interest subvention of 3% on prompt payment, reducing the effective rate of interest to 4%. In other districts bank will finance as per its own ROI but difference between this ROI and 7% (maximum 5.50 %) will be credited as interest subsidy directly to loan account of prompt payers. This scheme in such other districts will be operationalised by SRLM.

**National Rural Livelihood Mission (NRLM):** It is an important poverty eradication programs for rural poor. During the year (2020-21) Bank has disbursed Rs. 1,163 crore to 0.88 lakh borrowers.





**NATIONAL URBAN LIVELIHOOD MISSION (DAY NULM):** Poverty alleviation Scheme providing gainful employment to urban poor, launched w.e.f. 1.12.97 after subsuming earlier 3 schemes NRY/UBSP/PMIUPEP. The scheme has been restructured as NULM w.e.f. 24.09.2013. Funding by centre and state in 75:25. For backward states 90:10. Existing provision of capital subsidy has been replaced by interest subsidy for loans to individual enterprise (SEP-I) Group enterprise (SEP-G) and self help groups (SHGs). The application for individuals & groups will be sponsored by Urban Local Body. Applicants will be selected by Task Force at ULB level.

The scheme is applicable to all districts HQ and all the cities with population of 1 lakh or more for urban poor living below Urban Poverty Line. The scheme will focus on financial assistance to individuals/groups of urban poors for setting up gainful self employment ventures / micro enterprises and also for urban SHG. Local skills and crafts should be particularly encouraged.

**RESERVATION:** Women beneficiaries: 30%, Physically disabled: 3%, 15% for minorities in view of PM's 15 point programme. SC/ST to the extent of proportion of their strength in local population.

**SCHEME: A. Loans to Individuals:** Project cost should not exceed Rs.2.00 lakhs for individual.

**B. Loans to Groups:** Group will have minimum 3 members with a minimum of 70% from urban poor families & more than one person from the same family should not be included. Project cost - @ Rs 2 Lakh per member, subject to maximum of Rs 10 Lakhs for a group.

**C. SHG Bank Linkage programme:** SHGs promoting savings may be sanctioned savings linked loan varying from a saving to loan ratio of 1:1 to 1:4 after grading by Banks. However, in case of matured SHGs loan may be given beyond the limit of four times.

**MARGIN:** No margin money should be taken for loan up to Rs 50,000 and for higher amount loans, preferably, 5% should be taken as margin money and it should in no case be more than 10% of the project cost.

**SUBSIDY:** All banks on CBS mode will be eligible for interest subsidy at qtrly interval @ difference between 7% and prevailing rate of interest of Banks. An additional 3% interest subsidy will be provided to all women SHGs, who repay their loan in time.

**COLLATERAL SECURITY:** No collateral Security or third party guarantee is required. CGTMSE cover is available in all eligible cases.

**REPAYMENT:** To be repaid in 5 to 7 years after initial moratorium of 6 to 18 months as Term Loan.

## **PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY)**

New scheme has started since 01.04.2016. PMFBY will provide a comprehensive insurance cover against failure of the crop thus helping in stabilizing the income of the farmers and encouraging them for adoption of innovative practices. Advance technology is used in calculating threshold yield and actual yield. Publicity of the scheme among the farmers and training of yield assessing staff has been given more importance.

**Sum insured= Area under cultivation in hectares X Scale of finance (per hectare) for each crop.**

The Scheme covers all Food & Oilseeds crops and Annual Commercial/ Horticultural Crops for which past yield data is available and for which requisite number of Crop Cutting





Experiments (CCEs) will be conducted being a part of the General Crop Estimation Survey (GCES). Perennial crops also included in some units on pilot basis. The scheme is compulsory for loanee farmer obtaining Crop Loan /KCC account for notified crops. However, voluntary for Other/non loanee farmers who have insurable interest in the insured crop(s). NPA accounts may be covered for crop insurance as non loanee farmers. Government portal has been introduced for all type of activity regarding crop insurance ([www.pmfby.gov.in](http://www.pmfby.gov.in)). The Maximum Premium payable by the farmers will be 2% for all Kharif Food & Oilseeds crops, 1.5% for Rabi Food & Oilseeds crops and 5% for Annual Commercial/ Horticultural/Perennial Crops. The difference between premium and the rate of Insurance charges payable by farmers shall be shared equally by the Centre and State.

**Aadhar has been made mandatory** for availing Crop Insurance from Kharif 2017 season onwards, and farmers not having Aadhar ID may also enroll under PMFBY, subject to their enrolment for Aadhar and submission of proof of such enrolment, hence all branches have to compulsorily take Aadhaar/Aadhaar enrolment number before sanction of Crop Loan/KCC under Interest Subvention Scheme.

The general cutoff date for enrolment of farmers in Rabi &Kharif season has been advanced by 15 days to 15th December and 15th July respectively in each year and for adoption of district wise crop calendar.

State government will upload name of notified insurance unit, notified crop for that unit and name of insurance company for that unit on the portal each year.

#### **Final claim assessment due to natural risks**

$$= (\text{Threshold yield} - \text{Actual yield}) \times (\text{Sum Insured}) / \text{Threshold yield}$$

For calculating the Threshold yield, best five years yield will be taken out of actual yield of last seven years. Average of these five years yield will be the threshold yield.

**PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP):** The Ministry of Micro, Small and Medium Enterprises, Govt. of India, has launched a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by **merging the two schemes** that were in operation till 31.03.2008 viz., Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP is a central sector scheme and administered by the Ministry of MSME. The scheme is being **implemented through Khadi and Village Industries Commission (KVIC)**.

**Eligibility:** Any individual, above 18 years of age.

(ii) There will be no income ceiling for assistance for setting up projects under PMEGP.

(iii) For setting up of project costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business /service sector, the beneficiaries should possess at least VIII standard pass educational qualification.

#### **Other Features:**

a) Assistance under the Scheme is available only for new projects sanctioned specifically under PMEGP, Existing / old units are not eligible.

- b) The **maximum project cost** has been fixed up at Rs. 25 lakhs under the manufacturing sector and Rs 10 lakhs in the business/service sector.
- c) Project cost will include Capital Expenditure and one cycle of Working Capital.
- d) PMEGP is applicable to all new viable micro enterprises, including Village Industries projects except activities indicated in the negative list of Village Industries.
- e) Only **one person from one family** is eligible for obtaining financial assistance for setting up of projects under PMEGP. The 'family' includes self and spouse.
- f) Banks will take their own credit decision based on the viability of each project. No collateral security shall be insisted upon in line with the guidelines of the RBI for projects involving loan up to Rs 5 lakhs and in respect of projects cleared by the Task Force. The facility can be extended to loans upto Rs.100 lakhs where CGTMSE cover is available.
- g) The Bank will sanction 90% of the project cost in case of General Category of beneficiary/institution and 95% in case of special category of the beneficiary/institution, and disburse full amount suitably for setting up of the project.
- h) The amount of Bank Exposure will be ranging between 60-75% of the total project cost after deducting 15-35% of margin money (subsidy) and owner's contribution of 10% from beneficiaries belonging to general category and 5% from beneficiaries belonging to special categories.
- i) First installment of the loan will be released to the beneficiary only after completion of EDP training of at least 2 weeks.

j) Quantum and Nature of Financial Assistance Levels of funding under PMEGP:

Categories of beneficiaries under PMEGP	Beneficiary's Contribution (of Project Cost)	Rate of Subsidy	
		Urban	Rural
Area		Urban	Rural
General Category	10%	15%	25%
Special(SC/ST/Minority/woman/Ex-service men/Phy. Handicapped, Hill & Border area	5%	25%	35%

k) The Margin Money (subsidy) released will be kept in the name of the Borrower in Term Deposit Receipt three years. No interest will be paid on the TDR and no interest will be charged on the loan corresponding to the amount of TDR. Though the margin money (subsidy) will be released by the designated Nodal Branch of the Bank, KVIC/State DIC is the final authority to accept either the project / claim or reject, based on the parameters of the Scheme.

L) 100% physical verification of the actual establishment and working status of each of the units, set up under PMEGP, including those set up through KVIBs and DICs, will be done by KVIC.

**PMEGP Online Application Tracking System:** The Directorate of Information Technology, Khadi & Village Industries Commission, Mumbai has designed and developed the web based PMEGP online application tracking to monitor the scheme and also tracking the status of

application at beneficiary level. The system will facilitate to view the application status at any point of time through internet and generate various reports from time to time by implementing agencies, KVIC central office and Ministry of MSME. The system can track the status of application right from submission and till adjustment of Govt. Subsidy. Any action of sanction/ rejection/return etc. is to be entered in the portal. **Mandated coverage of social security:** As per GOI norms social security targets for SC 15%, ST 8.2% to be achieved under PMEGP.

**Second financial assistance under PMEGP for expansion/Upgradation of existing successful PMEGP/MUDRA units:**

Objective	Second financial assistance for expansion, upgradation of existing well performing, successful units, enhance capacity/productivity, technology upgradation with additional wage employment.
Eligibility conditions/terms	All existing PMEGP/MUDRA units whose margin money claims are already adjusted and first loan (TL component only) is repaid within stipulated time. Repayment of CC component is exempted for availing 2nd loan. <ul style="list-style-type: none"> <li>• Unit should be profit making for last three years.</li> <li>• 2 nd loan should create additional employment.</li> <li>• Unit should have registration of Udyog Aadhaar Memorandum.</li> </ul>
Quantum & nature of financial assistance, project cost particulars, beneficiary contribution etc.	<ol style="list-style-type: none"> <li>1. Max. project cost Rs 1.00 cr under mfg sector &amp; Rs 25.00 lac under service/ trading sector.</li> <li>2. Beneficiary contribution to project cost is 10%. Balance amount of project cost would be bank loan. Normally 40% of project cost to be for WC purpose &amp; 60% as TL for capital expenditure,</li> </ol>
Subsidy as % of project cost	20% in North East and Hilly region & 15% in other areas.

**Equity Grant and Credit Guarantee Fund Scheme (EGCGFS):** On 28 February 2013, during budget speech, two major initiatives/schemes announced, to support Farmer Producer Organisations (FPOs) viz., support to the equity base of FPOs by providing matching equity grants, and, secondly, setting up of a Credit Guarantee Fund to provide cover to banks which advance loans to FPOs without collateral. Hence, a new Central Sector Scheme, titled "Equity Grant and Credit Guarantee Fund Scheme for Farmer Producer Companies" was launched w.e.f. FY 2013-14 onwards EGCGFS shall be operated by **Small Farmers Agri Business Consortium (SFAC)**. Equity Grant Scheme: It is only for registered Farmer Producers Companies (FPC), which are registered with ROC u/s 465. The





number of its Individual Shareholders is not lower than 50. Maximum paid up capital should not be more than Rs 30 Lakhs.

It has raised equity from its members as laid down in its Articles of Association/ Bye laws. Minimum 33% of its shareholders are small, marginal and landless tenant farmers. Maximum shareholding by any one member other than an institutional member should not be more than 5% of total equity of the FPC and Maximum shareholding of an institutional member should not be more than 10% of total equity of the FPC. It has a duly elected Board of Directors (BOD) with a minimum of five members, with adequate presentation from member farmers and minimum one woman member. It has a duly constituted management Committee responsible for the business of the FPC. It has a business plan and budget for next 18 months that is based on a sustainable, revenue model as may be determined by the Implementing Agency. The FPC has an Account with a "Bank". Equity Grant shall be a cash infusion equivalent to the amount of shareholder equity in the FPC subject to a cap of Rs. 10 lakh per FPC. Equity Grant sanctioned shall be directly transferred to the bank account of the FPC. The FPC shall, within 45 days of the receipt of the Equity Grant, issue additional shares to its shareholder members, equivalent in value to the amount of the Grant received by it.

1. Individual Shareholder - Rs 1000.00.
2. Group of Individual Shareholders (e.g. SHG, Farmer Interest Group, Joint Liability Groups of Farmers) – Number of Members multiplied by Rs. 1,000.00, subject to a maximum of Rs.20,000.00.
3. Institutional Shareholders (Farmer Producer Companies) – Rs. 1, 00,000.00. Due Diligence by CA. Credit Guarantee Fund Scheme: Regd. FPC can avail Loans without collateral and third party guarantee up to Rs 1 crore, subject to the number of its individual shareholders shall not be lower than 500. Maximum Guarantee Cover shall be restricted to the extent of 85% of the eligible sanctioned credit facility, or to Rs.85 Lakh, whichever is lower.

The Fee payable upfront to SFAC by the ELI for Guarantee Cover is onetime Guarantee Fee calculated @ 0.85% of the sanctioned Credit Facility, subject to a maximum of Rs.85,000/-. In addition to onetime Guarantee Fee, an Annual Service Fee of 0.25% p.a. or such other rate as may be decided from time to time per loan account shall be charged from ELIs to keep the Guarantee of SFAC live. SFAC will settle claim up to 75% within 90 days and 25% on conclusion of recovery. Online application to sfac@nic.in Term loan and working capital (fund based and non-fund based) facilities are eligible.

**OVERDRAFT FACILITY UNDER PRADHAN MANTRI JAN-DHAN YOJNA:** to provide hassle free credit to low income group, underprivileged customers, to meet their exigencies without insistence on security, purpose or end use of the credit.

**Eligibility (Individuals only):** a) BSBD accounts (savings/credit history of bank-account holder), which are operated satisfactorily for at least six months.  
b) OD to be granted to the **only one account in the household**, earning member of family, preferably to a lady member of the household.  
c) There should be regular credits under DBT/ DBTL scheme/other verifiable sources. d) BSBD account holder should not be maintaining any other SB account with any Bank/branch



- e) Age of applicant between 18 years to 65 years.  
f) Not eligible: Minors, KCC/GCC, etc. borrowers, more than one member of the same family.

**Period of Sanction:** 36 Months subject to annual review of account.

- Loan(OD) amount:** a) 4 times of Average monthly balance; OR  
b) 50% of credit summations in account during the preceding 6 months; OR  
c) Rs. 10,000/- (Rupees Ten Thousand only), whichever is lower

**Security:** Clean and Nil Margin

NPCI provided repository of **Aadhaar Seeding** for SB/BSBDA OverDraft (OD) to the Banks is verified by Branch Authority using UIDSTAT finacle-menu before any sanction/disbursement of OD in the account under PMJDY.

**Financial Inclusion:** It is delivery of financial products, at affordable cost to sections of disadvantaged and lower income of the society, to ensure continuity and certainty of investment. 2006, as per recommendations of Rangarajan Committee, set up by RBI.

- Opening of basic saving bank deposit account.
- Relaxed KYC norms for small accounts.
- Engaging business correspondents/BF.
- Use of Information and Communication Technology (ICT).
- Implementation of Electronic Benefit Transfer (EBT) through ICT based banking.
- Issue of general Credit Cards.
- Simplified branch authorization for Tier III to Tier VI centre (population of less than 50,000 under general permission).
- Financial Inclusion Plan 2013-16 provided road map for FI.
- Financial Inclusion Fund of Rs. 2000 Crores created to support developmental and promotional activities (such as Financial Literacy) for 3 years.

**Pradhan Mantri Jan-Dhan Yojana PMJDY:** Launched on 28.08.2014, as a National Mission for Financial Inclusion.

- It ensures access to Banking Saving & Deposit Account, Remittance, Credit, Insurance, pension in an affordable and transparent manner.
- Basic saving bank deposit account can be opened in any Bank Branch or with Business Correspondent (Bank Mitra) outlet with zero balance.
- This account can be opened with Aadhar Card or OVD.
- Minor above the age of 10 years can also open BSBDA account. Small a/c can be opened even if photo ID is not available.
- Benefits: Interest, Accidental Insurance cover of Rs. 2 Lakh, No min balance, Life Insurance cover of Rs. 30000/- to those who have opened their PMJDY accounts on or before 31.01.2015, Govt DBT, OD of Rs.10000/- after 6 months, (OD facility subject to condition/transaction in account with other parameters to earning member of the family over 18 years age) Access to pension and insurance products. Cheque book facility is available (KYC & Minimum balance compliant a/c).



- Rupay ATM card is issued to customer above 18 years of age. ATM can be issued to an illiterate person, however he should be advised all the related risks at the time of issuing ATM.
- Personal Insurance Cover is available to Rupay card holder provided one successful financial or non-financial customer induced transaction at any Bank branch, Bank Mitra, ATM, POS, E-Com etc.

**Mr. H R Khan committee, suggested** Business Facilitator/Business Correspondent model for financial & non-financial services.

- Under BF MODEL, Bank may use the services of intermediaries such as NGOS/SHGS, Post Office, Insurance agents, KVIC/KVIB units, Panchayats, etc.
- BF role is identification of borrower, collection and preliminary processing of the loan application, to help in providing financial literacy, credit counseling promotion and nurturing of SHG/JLG, post sanction monitoring and follow up. While BC normally works for financial transactions, sale of MF, APY, PMJJBY, PMSBY, remittance etc.
- The BC's are engaged with the approval of the board of Directors and appropriate due diligence.
- Individuals, retired, Kirana/PCO /Petrol pump owners, NGO/MFI, Companies, NBFC (non-deposit). One BC can be BC for more than one bank.
- The bank should review the performance of various BC once in a year.

**ULTRA SMALL BRANCHES** • These branches may be set up between the base branch and BC location for about 8-10 BC Units at a reasonable distance of 3 – 4 Kilometers.

- These USB should have minimum infrastructure such as CBS, Pass Book Printer, and cash safe.
- This could be a new or by conversion of the BC Outlets.
- FL or Financial Education provides ability to know and effectively use financial resources to enhance the well being and economic security of oneself, one's family and business.
- It enables individuals to take effective action to improve overall wellbeing & avoid financial distress.
- It promotes financial inclusion and ultimately financial stability.
- The Financial Literacy Centres will conduct special camps for Going Digital through UPI & Financial Awareness Message (FAME) booklet for the different target group. FLC should conduct at least 5 camps per month targeting different types group. Every rural branch should also conduct at least one financial literacy camp in a month.

**Atal Pension Yojana APY:** I. Applicable to all citizens of India aged between 18 to 40 years. II. Aadhar will be the primary KYC, & Mobile number is to be obtained for ease of operations. III. There is **guaranteed minimum monthly pension** for the subscriber ranging between Rs.1000 & Rs.5000 per month based on his monthly contribution. IV. Option for upgrading / down grading of pension amount is available in April each year. V. Banks are required to collect additional amount for delayed payments. VI. Discontinuation of payments of contribution shall lead to frozen a/c after 6 months, deactivated after 12 months and closure



after 24 months. VII. After completion of 60 years of age the subscriber will get monthly pension.

**PMJJBY Pradhan Mantri Jeevan Jyoti Bima Yojana** Bank account holders aged between 18 to 50 years @ annual premium of Rs 330 for a life cover of Rs. 2 Lakh (for death by any reason). Once entered up to age of 50 years, insurance is available up to 55 years of age. Opened with Aadhar Card and annual premium is auto debited from a/c on 1st June every year. Risk cover starts after 45 days of paying the premium. One can enter in the scheme in the middle of the year by paying proportionate premium of each quarter i.e. Rs. 330/258/172/86. The scheme is **administered by SUD-Life**.

**PMSBY Pradhan Mantri Suraksha Bima Yojana** • Saving Bank Account holders aged between 18 to 70 years. • It offers to provide insurance cover of Rs.2,00,000/- upon accidental death or loss of two eyes, hands or legs (Full disability) @ annual premium of Rs.12 per year. Compensation will be Rs. 1 lakh in case of loss of one organ only (Partial disability). • The scheme is administered by New India Assurance Company Ltd.

**SHG Financial Inclusion** also includes Formation and linkage of the SHG, NRLM and NABARD are actively working on it.

**PRADHAN MANTRI KAUSHAL RIN YOJNA:** Government has proposed Pradhan Mantri Kaushal Rin Yojana (Skill Loan Scheme) in place of existing scheme for vocational studies with skill loan scheme for pursuing Skill development courses in India.

**Training Institutes/ Courses:** Courses run by Industrial Training Institutes (ITIs) /ITCs/ Polytechnics, training partners affiliated to National Skill Development Corporation (NSDC)/ sector Skill Councils, State Skill Mission, State Skill Corporation, preferably leading to a certificate / diploma/ degree issued by such organisation as per National Skill Qualification Framework (NSQF) are eligible for a skilling loan.

Vocational and Skill Development Courses supported by Govt. or run by organization supported by Govt.

**There is no minimum course duration.**

**Amount of Loan:** Loans will be in the range of Rs. 5000 to Rs.150000.

**Expenses considered for loan:** Tuition/Course fees, Examination/Library/Laboratory fees, Caution Deposits, Purchase of Books/Equipments/Instruments. Any other reasonable expense found necessary for completion of course. Being localized courses, expenses for lodging & boarding may not be necessary. However, such expenses may be considered on merit, wherever found necessary.

**Margin:** nil

**Minimum qualification:** As required by the enrolling institutions/organizations as per :

**Minimum age:** There is no specific restriction with regard to the age of the student to be eligible for skilling loan

**Processing Charges:** Nil

**Timeline for Disposal of Loan Application:** Maximum 6 days, after the receipt of duly completed application with supporting documents. (\*wherever there is a need for verification





etc. with various authorities / Govt. bodies across one or more centres, a minimum of 15 additional working days will be applicable.

**Moratorium period:**

Courses Duration	Moratorium Period
For courses of duration up to 1 year	Course period + 6 months
For courses of duration > 1 year	Course period + 12 months

**Repayment:**

Loan Amount	Repayment Period in Years
Loans up to Rs.50,000/-	Up to 3 years
Loans of Rs.50,000/- to Rs.1.00 lakh	up to 5 years
Loans > Rs.1.00 lakh	up to 7 years.

**Security/Credit Guarantee:** No Collateral security or Third party guarantee. However, Parent to execute security documents along with student as joint borrower. Accounts financed under the scheme to be covered under the Credit Guarantee Fund Scheme for Skill Development (CGFSSD).

**Auth. for Modification:** EDLCC.

**PRADHAN MANTRI AWAS YOJNA –HOUSING FOR ALL URBAN CREDIT LINKED SUBSIDY SCHEME (CLSS):** “Housing for all” Mission for Urban area will be implemented during 2015-2022. this Mission will provide central assistance to implementing agencies through States and UTs for providing houses to all eligible families/beneficiaries by 2022. The Mission will be implemented through four verticles giving options to beneficiaries, ULB and State Governments as under:

- i) “In Situ” slum Redevelopment.
- ii) Affordable housing through credit Linked subsidy.
- iii) Affordable housing in partnership.
- iv) Subsidy for beneficiary – led individual house construction. Out of above, affordable Housing through Credit Linked Subsidy will be implemented through Banks/FI under the mission.

**Coverage:** Covers 4041 statutory towns as per census 2011 website: [www.nhb.org.in](http://www.nhb.org.in)

**Affordable Housing through Credit Linked Subsidy:** The Mission, in order to expand institutional credit flow to the housing needs of urban poor will implement credit linked subsidy component as a demand side intervention. Credit linked subsidy will be provided on home loans taken by eligible urban poor (EWS/LIG) for acquisition, construction of house. Under Affordable Housing through Credit Linked Subsidy there are 4 schemes:

- a. CLSS – EWS / LIG
- b. Revised CLSS – EWS/LIG
- c. CLSS (MIG-I)
- d. CLSS (MIG-II)

**CREDIT LINKED SUBSIDY SCHEME- EWS / LIG**

Scheme: Under this scheme credit linked interest subsidy @6.50% for 15 years or actual tenor of the loan, whichever is lower, will be provided to the eligible beneficiaries in EWS/LIG category by the Government of India.



Applicants belonging to LIG (Low Income Group) & EWS (Economically Weaker Sections) section. The EWS/LIG categories are defined as follows:

**EWS households** with an annual income upto Rs. 3.00 lacs

**LIG households** with an annual income between Rs. 3.00 lacs to Rs. 6.00 lacs

**Scheme: 17th June 2015 to 31st March 2022**

**Maximum subsidy** of Rs. 2.20 lacs (approx.) is eligible.

**COVERAGE & ELIGIBILITY:** The ownership of the house should **either in the sole name of the female member of the household or joint ownership with the wife.** However, this condition will not be made mandatory in cases of construction of house on an existing plot or extension/renovation of existing Kuccha/Semi-pucca house.

The beneficiary family should not own a pucca house (an all-weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.

### **REVISED CREDIT LINKED SUBSIDY SCHEME – EWS /LIG**

All the above guidelines of CLSS- EWS / LIG applies to this scheme also. **The Maximum term of loan increased from 15 years to 20 years. Maximum subsidy of Rs. 2.67 lacs (approx.) is eligible.**

**CREDIT LINKED SUBSIDY SCHEME- MIG:** Government of India under the aegis of the Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has launched 'Credit Linked subsidy Scheme (CLSS)' for Urban Areas under the ambit of Pradhan Mantri Awas Yojana. The CLSS-MIG which was implemented initially for a period of one year i.e., from 01.01.2017 to 31.12.2017 has been further extended up to 31.03.2020.

**Scope and Coverage:** All Statutory towns as per Census 2011 and towns notified subsequently will be eligible for coverage under CLSS for MIG. Planning Area as notified with respect to the Statutory Towns and which surrounds the concerned Municipal area will also be covered under the Scheme to provide interest subsidy for Housing Loan beneficiaries belonging to Middle Income Groups (CLSS-MIG).

The **carpet area of house under this Scheme** should be upto 30 sq. mts. for EWS beneficiaries and upto 60 sq. mts. for LIG beneficiaries and 90 sq. m for MIG I\*, 110 sq.m for MIG 2\*. Credit Linked Subsidy is available for housing loans availed for acquisition/construction of house and repair/extension of Kucha/Semi Pucca house.

**Maximum term of loan on which the subsidy will be calculated is 15 years.**

Gol, Ministry of Housing & Urban affairs vide letter dated 12.06.2018 changed the carpet area of houses eligible for interest subsidy under MIG-I Upto 160 sq. meter and for MIG – II upto 200 sq. meter. Beneficiary at, his/her discretion, can build a house of larger area but interest Subvention is available for loans up to 6 lakh , 9 lakh, and 12 lakh under EWS/LIG,MIG-I and MIG-II scheme. The beneficiary family should not own a pucca house (an all-weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.

The credit linked subsidy @ 4% will be available for loan amount up to Rs. 9 lacs in case of MIG-I and @3% for Rs 12 lacs in case of MIG-II. However, the Banks can sanction Home Loans more than Rs. 9 lacs or Rs. 12 lacs but the subsidy will be restricted to Rs. 9 lacs or 12 lacs, as the case may be.

**Under CLSS, an interest subsidy will be available for a tenor of 20 years or actual tenor of the loan, whichever is lower. However, Bank can sanction loans for a**



**maximum tenor of 30 years but the loan has to be repaid before the borrower attains the age of 70 years.** The Net Present Value (NPV) of or the subsidy will be calculated at a discount rate of 9% and will be credited upfront to the loan account.

Maximum subsidy eligible under CLSS-MIG(I) – Rs. 2.35 lakhs (approx.)

Maximum subsidy eligible under CLSS-MIG(II) – Rs. 2.30 lakhs (approx.)

**Beneficiary Eligibility:** Individuals from Economically Weaker section (EWS) & Low Income Group (LIG). EWS households are defined as households having annual income up to Rs 3.00 lakh. LIG household are defined as households having an annual income between RS. 300001 up to 6.00 lakh. Annual house hold income for MIG –I from Rs. 600001 to Rs. 12 Lakh, and for MIG – II from Rs 1200001 to Rs. 18 Lakh.

The beneficiaries have been defined as a family comprising of husband, wife and unmarried children. An adult earning member (irrespective of marital status) can be treated as a separate household and can avail subsidy independently.

In case of married couple, either of the spouses or both together in joint ownership will be eligible for a single house subject to income eligibility of the household under the scheme.

**Government of India has extended Middle income group (I/II) in CLSS scheme for a period of one year i.e. up to 31.03.2020.**

Banks shall have to submit a consolidated certificate on completion of the housing unit within one year period from the completion of construction or a maximum of 36 months from the date of the disbursement of the 1st instalment of the loan amount. In case of default in not providing utilization/end use certificate the Bank shall refund the amount of subsidy to the CNA.

In case a borrower who has taken a Home Loan under the Scheme and has availed interest subvention benefit under the Scheme but later on switches to another Bank, such beneficiary will not be eligible for the benefit of interest subvention again.

Though the **interest subvention under CLSS (MIG)** is available upto Rs. 9 or Rs.12 lacs, loan limits over and above Rs. 9 and Rs.12 lacs will also be sanctioned to the eligible borrowers based on the eligibility criteria stipulated under our existing Home Loan Scheme. All loans accounts under the Scheme will be linked to Aadhaar.

**Loan Amount: i) Metropolitan centers** with population above 10 lakh: Loans to individuals up to Rs. 28 lakh (with value of house not exceeding Rs.35 lakh.

**ii) Other Centers** with population below 10 lakh: Loan to individuals up to Rs. 20 lakh.

Repayment: 20 years including moratorium up to 36 months.

**MICRO, SMALL AND MEDIUM ENTERPRISES (MSME): Micro, Small & Medium Enterprises Development (MSMED) Act, 2006:** Ministry of Micro, Small and Medium Enterprises has classified MSMEs, based on the composite criterion of investment in Plant & Machineries(for manufacturing sector) or equipment(for service sector) and turnover of the enterprise, as under:

Micro Enterprise	where the investment in Plant & Machineries or equipment does not exceed Rs One Crore and turnover does not exceed Five Crore.
Small Enterprise	where the investment in Plant & Machineries or equipment does not exceed Rs Ten Crore and turnover does not exceed Rs Fifty Crore.



Medium Enterprise	where the investment in Plant & Machineries or equipment does not exceed Rs fifty crore and turnover does not exceed Rs two hundred and fifty crore.
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1. If an enterprise crosses the ceiling limits specified for its present category in either of the two criteria of investment or turnover, it will cease to exist in that category and will be placed in the next higher category but no enterprise shall be placed in the lower category unless it goes below the ceiling limits specified for its present category in both the criteria of investment as well as turnover.
2. All units with Goods & Services Tax Identification Number (GSTIN) having same PAN, shall be collectively treated as one enterprise and the turnover and investment figures for all of such entities shall be clubbed for deciding the category of micro, small or medium.

### **CALCULATION OF INVESTMENT IN PLANT & MACHINERY OR EQUIPMENT:**

1. The Calculation of investment in Plant & Machinery or equipment will be linked to the (ITR) of the previous years filed under the Income tax act, 1961.
2. In case of a new enterprise, where no prior ITR is available, the investment will be based on self-declaration of the promoter of the enterprise and such relaxation shall end after 31st March of the financial year in which it files its first ITR. The value of Plant & machineries or Equipment's shall mean the Written Down Value (WDV) as at the end of the financial year and NOT the cost of acquisition or original price.
3. The meaning of "Plant & Machineries" or " Equipment" of the enterprise shall be as per the Income Tax Rules and shall include all tangible assets (other than land and building, furniture & fittings). Besides, cost of the following plant & machinery / equipment etc. would be excluded for computation of investment value.

### **Calculation of Turnover:**

- a) Exports of goods or services or both, shall be excluded while calculating the turnover of any enterprise for the purpose of classification as above.
- b) Information as regards to turnover and exports turnover for an enterprise shall be linked to the Income Tax act or the central goods and services act (CGST act) and the GSTIN.
- c) The turnover related figures of such enterprise which do not have PAN will be considered on self declaration basis for a period up to 31st March 2021 and thereafter PAN and GSTIN shall be mandatory.

### **UDYAM REGISTRATION:**

1. All MSME entities ( new & existing both) have to mandatorily register on Udyam Registration portal. There is no exemption in this regards for entities having Udyog Aadhaar number. The existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAMs) of the MSMEs obtained till June 30, 2020 shall remain valid till December 31, 2021".
2. Branches have to mandatorily keep on record the copy of Udyam Registration Certificate. In case new MSME borrowers do not have Udyam Registration Certificate, it has to be submitted before disbursement.



3. For filing Udyam Registration, Adhaar no. of proprietor in case of proprietorship firm, managing partner in case of partnership firm and of Karta in the case of HUF is mandatory and in case of company or a limited liability company partnership or a society or trust, GSTIN and PAN of the entity will be required for Udyam Registration.

**Service Charges & Linking of accounts with RBLR :** All new accounts classified under MSME will be linked to RBLR, w.e.f. 10.10.2019, as advised from time to time. Such new accounts will be subject to the Service Charges as applicable to MSME. Finacle Menu "MSMETO" for feeding of Turnover details For proper classification under Finacle, turnover in MSME / Non MSME accounts, has to be mandatorily fed in "MSMETO" menu. New Menu in Finacle "PDCONV" – For monitoring of post sanction/post disbursement covenants.

**Classification in Finacle as per investment in P&M:** The minimum working capital limit for MSE borrowers, upto Rs 5 crore as per Nayak Committee's recommendations, has been increased to 25% of non digital turn-over plus 30% of digital turn-over, subject to that minimum 25% of previous year's turnover should be from digital platform. Special, flexible take-over norms for MSE accounts upto Rs 200 lakh are prescribed.

Target for Micro, Small & Medium Enterprises Credit:

**The RBI has prescribed the following overall target for the Bank as a whole for Micro, Small & Medium Enterprises credit:**

Micro, Small & Medium Enterprises Advances	Loans to MSMEs without any cap are to be classified under Priority Sector advance in terms of RBI master directions updated as on 04.09.2020.
Micro enterprises Advances	Budget under PS – 7.5% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent to Off Balance Sheet Exposure (CEOBE) whichever is higher.
Export Credit	Incremental export credit over previous year upto 2% of ANBC or CEOBE whichever is higher subject to S/L of upto Rs. 40 crore per borrower

**Finance given to KVIC** will be treated under Micro Enterprises Advances irrespective of the loan amount.

**GSTIN for MSME borrowers:** GSTIN is to be mandatorily obtained & entered in CBS & without GSTIN no. proposal for enhancement/sanction/interest subvention/restructuring is to be considered, in all eligible MSME accounts. Borrowers with turnover of Rs 40 lac & more (Rs 10 lac & more in case of North East & Hill states) are required to obtain GST registration.

**Registration as MSME with District Industry Centre (DIC)** Medium Enterprises (Manufacturing) have to be mandatorily registered with DIC whereas registration formalities with DIC is optional in case of Micro & Small Enterprise (Mfg. & Services) and Medium Enterprise (Services). However, it is advisable for all such enterprises to get the Registration formalities complied with in view of the available benefits at various points. If unit is having Udyog Aadhar Number, then no need to register with DIC. **Udyog Aadhar Number:** It is also known as adhaar for business. It is provided by ministry of MSME & it specifies that every MSME enterprise should obtain Udyog Aadhar number.



**Introduction of Repo Based Lending Rate (RBLR) of Interest for MSME Advances:** Pursuant to RBI directives, our bank has introduced RBLR for all facilities granted to various categories of MSME borrowers wef. 10.10.2019.

**Credit Linked Capital Subsidy Scheme:** This scheme, of Ministry of MSME, Govt. of India aims at modernization & technological upgradation of MSE units through purchase of Plant & Machinery, for improvement in quality and productivity to remain market competitive. Under the scheme, MSE units are eligible for upfront capital subsidy @15% (25% for SC/ST MSE units) on bank loan upto Rs 1.00 Crore for identified sectors/ technologies.

**Collateral Security (For Micro & Small Units) -** Collateral security is **waived** for credit limits upto Rs.10 lakhs and Rs. 25 lakhs with good track record account with approval of ZLCC on case to case basis. MSE accounts with limit upto Rs 200 lac (Rs. 100 lac in case of retail trade) & eligible for CGTMSE cover, should necessarily be covered under CGTMSE. For Waiver of CGTMSE coverage in eligible accounts to be approved by ZLCC, quoting valid reasons and where 100% collateral is available.

**Government incentives to MSMEs related to Agriculture:** All type of benefits such as subsidy, interest subvention, Restructuring/rehabilitation, Standby line of credit and/ or any other benefits declared by the Government for MSME are also available to those MSME registered units which are related to Agriculture, Food processing, Cold Storage etc. and are classified under agriculture for reporting purpose.

**Credit Proposal Tracking System (CPTS) for MSME Loan Application:** In terms of RBI directives, new on line functionality of Credit Proposal Tracking System (CPTS) is put in place which enables the customers to apply for loan through bank's website & also track its status.

Limits	Time Limit Not Exceeding
Upto Rs. 25,000/-	4 Business Days
Rs. 25,000/- and Upto Rs. 10 lakhs	8 Business Days
Rs. 10 lakhs and Upto Rs. 5 Crores	12 Business Days
Rs. 5 Crores	20 Business Days

Collateral Security and Delegation norms : Collateral security is waived for credit limits upto Rs.10 lakhs. For loan up to 25 lakhs depending on good track record account and financial position of the MSE entity.

**"BOI STAR ENERGY SAVER":** To meet funding requirement for modernize / upgradation/installation/ adopting energy saving machinery and equipments. All units engaged in manufacturing and service sector with investment in plant and machinery and equipment as defined under MSMED Act, 2006. However, the dealers in energy saving devices are not eligible under the scheme.

**REPAYMENT:** Maximum - 36 months for Demand Loan and 84 months for term loan including moratorium. Interest to be serviced as and when charged.

**EXTENT OF FINANCE:** Maximum Rs. 100 Lakhs.

**MARGIN:** Minimum 15% of the cost of machinery/equipments to be purchased.

**SECURITY:** (i) Hypothecation of all assets acquired out of bank finance.

**CREDIT RATING:** Exempted for limits up to Rs.10 lakhs. SBS/SME rating model for limits Rs.10 lakhs to Rs.100 lakhs and Minimum SBS 5 as per entry level norms.

**SUBSIDY:** Units with energy efficient technologies (EETs) will be eligible for subsidy under TEQUP (Technology and Quality Upgradation Fund) Scheme of Ministry of MSME, Govt of India.

**PRADHAN MANTRI MUDRA YOJNA:** PM on 8th April, 2015 declared launching of PMMY loans along with Micro Units Development and Refinance Agency Ltd. (MUDRA). To fund the unfunded who are unable to sustain or grow due to lack of finance.

S.No.	SHISHU	KISHORE	TARUN
	For setting up of new/upgrading existing Micro business enterprises in the manufacturing, processing, trading, service sector and activities allied to agriculture as mentioned above, financing to weavers and artisans (income generating activity).		
<b>NATURE OF FACILITY</b>	Term Loan and/or Working Capital up to maximum Rs.10 lakhs.		
<b>REPAYMENT</b>	Maximum - 36 months for Demand Loan and 84 months for term loan including moratorium. Interest to be serviced as and when charged.		
<b>EXTENT OF FINANCE</b>	Up to Rs.50,000	Above Rs.50,000 up to Rs.5.00 lakh	Above Rs.5.00 lakh up to Rs.10.00 lakh.
<b>MARGIN</b>	SHISHU -- NIL	15 %	15%
<b>SECURITY</b>	Primary Security- (i) Hypothecation of all assets acquired out of bank finance. (ii) Personal guarantee of promoters/directors.  Collateral Security — NIL All eligible activity would be covered under the guarantee cover of ' <b>Credit Guarantee Fund for Micro Units</b> '. [No collateral security/third party guarantee to be obtained].		
<b>BENEFIT TO WOMEN BENEFICIARIES</b>	< Rs. 50,000 -- NIL	KISHORE & TARUN -- Under Priyadarshani Yojana 1% concession in ROI.	

**STAND UP INDIA:** To facilitate bank loans between Rs. 10.00 lakh and 100 lakhs to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman



borrower for setting up a Greenfield enterprise. This enterprise may be in manufacturing, services or the trading in non-farm sector.

**Eligibility Criteria:** 1. SC/ST and/or woman entrepreneurs, above 18 years of age. 2. Loans under the scheme are available for only green field project. Green field signifies, in this context, the first time venture of the beneficiary in the manufacturing or services or trading sector. 3. In case of non-individual enterprises, 51% of the shareholding and controlling stake should be held by either SC/ST and/or Women Entrepreneur. 4. Borrower should not be in default to any bank/financial institution.

**Size of Loan:** Composite loan (inclusive of term loan and working capital), Composite loan of 75% of the project cost inclusive of term loan and working capital.

**Security:** Besides primary security, the loan may be secured by collateral security or guarantee of Credit Guarantee Scheme for Stand-Up India (CGSSI)

**Repayment:** Repayable in 84 months with maximum moratorium period of 18 months.

**Portal:** ([www.standupmitra.in](http://www.standupmitra.in)) provides information to a potential borrower.

### **TECHNOLOGY AND QUALITY UPGRADATION (TEQUP): FOR MSME UNITS WITH ENERGY EFFICIENT TECHNOLOGIES (EETS):**

Sensitize the manufacturing sector of MSME, so as to enable them to reduce the cost of production and improve the product quality. Any MSME unit who has filed an Entrepreneurial Memorandum with the authority or who has erstwhile DIC registration, subject to: (i) The MSME unit should have been audited for energy consumption and detail project report on EETs, prepared by a qualified Energy Manager/ Auditor.

(ii) Unit must lead to at least 15% reduction in energy consumption.

(iii) Investment in new plant, machinery and equipment should be focused on enhancing energy efficiency. (iv) The unit should not be covered under any other subsidy scheme.

(v) Sanction of Subsidy shall be done after loan disbursement.

(vi) Up to 2 years, after completion, unit should submit operational and performance details to the branch.

**FACILITY:** Term Loan for Plant and Machinery.

**SUBSIDY:** Upto 25% of the project cost, Maximum Rs. 10 lakhs. Subsidy will be adjusted against the last principal instalments of the loan account.

### **CREDIT GUARANTEE FUND TRUST SCHEME FOR MICRO AND SMALL ENTERPRISES (CGTMSE):**

All Credit Facilities sanctioned to eligible Micro & Small units defined as per MSMED act 2006, Udyam Registration Certificate (URC) will be mandatory for all MSMEs).

**CGTMSE cover:** A borrower can avail aggregate credit facility including incremental credit facilities (i.e. to the extent of reduction in the outstanding exposure) from all lenders, under CGTMSE scheme with a maximum guarantee coverage cap of Rs 200 lac.

**CGTMSE Cover for Retail Trade borrower:** Are eligible to be covered upto an exposure of Rs 1 crore with 50% coverage of risk (default amount) with Annual Guarantee Fee (AGF) @2%.

**COLLATERAL SECURITY:** Loan Up to Rs 10 lac to MSE- no collateral to be taken. • For loan up to Rs 25 lac, depending on good track record & financial position of MSE, ZLCC may waive collateral on case to case basis.



## Credit Guarantee Cover:

Category	Maximum Extent of Guarantee where Credit facility is		
	Upto Rs.5 Lakh	Above Rs.5 Lakh upto Rs.50 Lakh	Above Rs.50 Lakh upto Rs.200 Lakh
<b>Micro Enterprises</b>	85% of the amount in default subject to a maximum of Rs.4.25 Lakh.	75% of the amount in default subject to a maximum of Rs.37.50 Lakh.	75% of amount in default subject to a maximum of Rs 150 Lakhs.
<b>Women enterprises/units located in North East region (including Sikkim) (other than credit facility upto Rs.5 Lakh to micro enterprises)</b>	80% of the amount in default subject to a maximum of Rs.40 Lakh.		
<b>All other Category of Borrowers</b>	75% of amount in default subject to a maximum of Rs. 37.50 Lakh		

**The Guarantee Cover will commence from the date of payment of guarantee fee.**

Annual Guarantee Fee: First year AGF would be charged on sanctioned limit & thereafter on the outstanding loan amount.

### START UP SCHEME:

To finance for innovation, development, deployment or commercialization of new product, process or services driven by technology or intellectual property as per start up scheme. Funding support to eligible Start Ups recognized as per government policy. Start Up means an entity, incorporated or registered in India not prior to five years, with **annual turnover not exceeding INR 25 crore** in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property. Provided that such entity is not formed by splitting up or reconstruction of a business already in existence.

**Quantum of finance:** To be assessed as per project. Minimum: Rs. 0.10 crore Maximum: Rs. 5.00 crore.

**Margin:** Term Loan: 25% and Working Capital: 10%

**Repayment: Working Capital:** 12 months subject to annual renewal as per extant guidelines. **Term Loan:** Maximum Door to Door repayment shall be 120 months including moratorium period of maximum 24 months.

### Credit Guarantee Scheme for Stand Up India

To guarantee credit facilities of over Rs. 10 lakh & upto Rs. 100 lakh under Stand Up India Scheme.



To the extent of 80% of the amount in default for credit facility above Rs. 10 lakh and upto Rs. 50 lakh, subject to a maximum of Rs. 40 lakh. For credit facility above Rs. 50 lakh and upto Rs. 100 lakh - Rs. 40 lakh plus 50% of amount in default subject to overall ceiling of Rs. 65 lakh of the amount in default.

The Bank will furnish a Management Certificate within 10 days from the end of the quarter, after which, a **Credit Guarantee Demand Advice Note [CGDAN]** would be issued by NCGTC within 3 day of receipt of Management Certificate and subsequently, the guarantee fee shall be payable within 3 days from the issue of CGDAN.

#### **Credit Guarantee fund for Micro units (CGFMU)**

Came into force for micro loans sanctioned since 8th April, 2015 with features covered under the Scheme. The objective of the Fund would be to guarantee loans up to Rs. 10.00 lakhs. Sanctioned under Jan Dhan Yojna of PMJDY against default in repayment of micro loans extended by the lending institutions.

Guarantee fee shall be paid within 16 days from the end of the quarter. (The Bank would need to furnish a Management Certificate within 7 days from the end of the quarter, after which, a Credit Guarantee Demand Advice Note [CGDAN] would be issued by NCGTC within 3 day of receipt of Management Certificate and subsequently, the guarantee fee shall be payable within 3 days from the issue of CGDAN).

**Credit Guarantee Fund Scheme for Skill Development (CGFSSD)** Compulsory cover for loans granted under Prime Minister Kaushal Rin Yojana. New loan sanctioned on or after 15.07.2015 without any collateral security or third party guarantee. **Loan Limit:** Loan Limit minimum Rs.5000/- and maximum Rs. 150000/-

#### **TReDS (Trade Receivables Discounting System)**

Reserve Bank of India (RBI) had issued guidelines for setting up and operating the Trade Receivables Discounting System (TReDS), to facilitate the financing of trade receivables of MSMEs on a digital platform. 2. TReDS platform enables discounting of invoices/bills of exchange of MSME sellers against large corporates, Public sector undertakings through an auction mechanism to ensure prompt realization of trade receivables at competitive market rates. This mechanism will address twin issues of prompt encashment of receivables and eliminating credit risk.

The various participants on TReDS platform are MSME Suppliers, Buyers and Financers. Department of Financial Services (DFS) is giving a special impetus and focus for promoting the TReDS platform and have asked all the PSBs to on board the platform and popularize the scheme among its borrowers/customers. Receivables Exchange of India Ltd (RXIL), a joint venture of SIDBI & NSE is one of the first entity to receive approval from Reserve Bank of India, to launch receivables exchange platform for MSME vendors, Buyers and financiers.

**Weaver MUDRA Yojna:** To meet WC & Investment credit needs of New & existing handloom weavers.

**Quantum:** Min. 1.00 lac for silk weavers, for others- Rs. 0.50 lac, max. Rs. 5.00 lac. TL max. 2.00 lac, WC + TL max. Rs. 5.00 lac.

**Margin Assistance:** 20% of project cost. GOI to bear margin @ 20%, subject to max 10000/. Balance margin to be borne by borrower.



**Security:** Hypothecation of assets & loans to be covered under CGFMU/CGTMSE.

**Contactless MSME Loan:** In principle sanction of **Contactless MSME loans** from Rs 1.00 lac to Rs 100 lac is undertaken without the borrower visiting the branch, within 59 minutes through on line digital platform having integration with various agencies e.g. GST, ITR, Fraud Check, bank statement analyzer, credit information bureau check, CGTMSE etc. Platform can be used for renewal of limits also. Basic documents required for applying loan are IT return/s, bank statement in PDF format, GST registration & KYC documents. Additionally borrower is required to feed basic info such as DOB, address, mobile no., experience, net worth, promoter's'/director's/owner's basic, personal, educational detail. URL for the contactless platform is [www.PSBLOANSIN59MINUTES.COM/boi](http://www.PSBLOANSIN59MINUTES.COM/boi) for use by borrower.

After completion of all the formalities as required and on complying with all the norms, the system will generate in principle sanction letter along with list of documents. There after borrower has to approach bank and its branch for processing of the proposal.

**MSME GST Udyami Rin:** This loan product is uploaded on "onlinespsbloansin59minutes" portal & made live for use of borrowers & branches. Presently only working capital loan product is made live for amount ranging above Rs. 1 cr to Rs. 5 cr, and in due course in future, Term loan product will also be made live. Through this loan management platform, in principle sanction of the loan will be given. After in principle sanction, all such loan proposals will be processed through CAPS (upto Rs 2 cr) and manually (above Rs 2 cr) & credit appraisal, WC assessment will be done in accordance with bank's Credit/ MSME policies.

**Guaranteed Emergency Credit Line (Star-GECL):** This scheme is launched by the bank, pursuant to the credit product named "Guaranteed Emergency Credit Line" launched by Govt. of India, Ministry of Finance; vide its "**Atmanirbhar Relief Package**" to provide urgent need based support & liquidity relief to business entities, whose business has been disrupted in the wake of ongoing Corona Virus Pandemic COVID-19.

**Eligibility:** 1. Proprietorship firm/partnership firm/LLP/Ltd Co./Trust. 2. In case of joint loan account, any business entity must be primary coapplicant. 3. Only those individual loan accounts which are covered under PMMY & were uploaded on Mudra portal as on 29.02.2020.

**Target Borrowers:** Business entities with annual turn-over up to Rs 100 cr in FY 2019-20 and combined loan outstanding with all lending institutions (Banks/NBFCs) up to Rs. 25 cr as on 29.02.2020, exclusive of off balance sheet and non-fund exposure.

**Type of Facility:** Working Capital Term Loan (WCTL).

**Quantum of Loan:** 20% of aggregate fund based outstanding as on 29.02.2020, maximum Rs 5 cr per borrower.

**Guarantee coverage by NCGTC and Guarantee fee:** National Credit Guarantee trustee Company (NCGTC) will provide 100% credit guarantee cover for the loan sanctioned as above, under its Guarantee scheme- "Emergency Credit Line Guarantee Scheme" (ECLGS). No additional collateral security is to be obtained under the scheme.

**Tenor / Repayment/Moratorium:** Moratorium up to max. 12 months during which interest is to be serviced. After moratorium, loan is to be repaid in 36 EMIs.



## COVID Emergency Support Scheme 2020 (CESS-2020):

This loan product is designed to meet the temporary liquidity mismatch arising out of Covid-19 Pandemic, involving payment of statutory dues, salary/ wages/ Electricity Bill, rent etc.

**Tenure / moratorium:** 24 monthly instalments including moratorium of 6 months. Interest to served as & when debited.

**Quantum of Loan:** 10% of aggregate fund based WL limit, subject to Drawing power. However total additional exposure) can be max. 25% of WC limit exposure, including already availed TOL/Ad-hoc/corporate loan/stand by line of credit, or any other short term credit facility for WC purpose. Max. assistance not to exceed Rs 200 cr per borrower. For existing SRTTO borrowers, 20% of present drawing limit for fuel, repair & consumption expenditure. Launching of **COVID Emergency Credit Support Schemes (CESS)** for stressed sectors encompassing Corporate, MSME, Agriculture as well as personal loan scheme and sanctioning around Rs. 9000 crore under the various schemes.

**LENDING TO PRIORITY SECTOR:** The categories under priority sector are as follows:

**A). Agriculture: Agriculture Infrastructure** Loans for agriculture infrastructure will be subject to an aggregate sanctioned limit of ₹100 crore per borrower from the banking system.

Loans up to **₹5 crore to co-operative societies** of farmers for purchase of the produce of members (Not applicable to UCBs)

Loans up to **₹50 crore to Start-ups**, as per definition of Ministry of Commerce and Industry, Govt. of India that are engaged in agriculture and allied services.

Loans for **Food and Agro-processing** up to an aggregate sanctioned limit of ₹100 crore per borrower from the banking system.

**B). Micro, Small and Medium Enterprises:** Loans up to ₹50 crore to Start-ups, as per definition of Ministry of Commerce and Industry, Govt. of India that are engaged in activities other than Agriculture or MSME.

**C). Export Credit: Export Credit (not applicable to RRBs and LABs)**

Domestic banks / WoS of Foreign banks/ SFBs/ UCBs	Foreign banks with 20 branches and above	Foreign banks with less than 20 branches
Incremental export credit over corresponding date of the preceding year, up to 2 per cent 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 percent of ANBC or CEOBE whichever is higher.	Export credit up to 32 per cent of ANBC or CEOBE whichever is higher.





**D). Education:** Loans to individuals for educational purposes including vocational courses upto **Rs. 20 lakh** irrespective of the sanctioned amount will be considered as eligible for priority sector.

**E). Housing:** Loans to individuals up to Rs. 35 lakh in metropolitan centers (with population of ten lakh and above) and loans up to Rs. 25 lakh in other centers for purchase/construction of a dwelling unit per family provided the overall cost of the dwelling unit in the metropolitan centre and at other centers should not exceed Rs. 45 lakh and Rs. 30 lakh, respectively. Loans up to ₹10 lakh in metropolitan centres and up to ₹6 lakh in other centres for **repairs** to damaged dwelling units conforming to the overall cost of the dwelling unit.

Bank loans to any governmental agency for **construction of dwelling units or for slum clearance** and rehabilitation of slum dwellers subject to dwelling units with carpet area of not more than 60 Sq. Meter.

Bank loans to **HFCs (approved by NHB for their refinance)** for on-lending, up to ₹20 lakh for individual borrowers, for purchase/construction/ reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers,

**F). Social Infrastructure:** Bank loans up to a limit of Rs. 5.00 crore per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities including construction/refurbishment of household toilets and household level water improvements and

loans up to a limit of **₹10 crore per borrower for building health care facilities** including under '**Ayushman Bharat**' in Tier II to Tier VI centres. In case of UCBs, the above limits are applicable only in centres having a population of less than one lakh.

**G). Renewable Energy:** Bank loans up to a limit of Rs. 30 crore to borrowers for purposes like solar based power generators, biomass based power generators, wind mills, micro-hydel plants and for nonconventional energy based public utilities Viz. Street lighting systems, and remote village electrification. For individual households, the loan limit will be Rs. 10 lakh per borrower.

**H). Others:** Loans not exceeding Rs. 1,00,000/- per borrower provided directly by banks to individuals and their SHG/JLG, provided the individual borrower's household annual income in rural areas does not exceed Rs. 1,00,000/- and for non-rural areas it does not exceed Rs. 1,60,000/-, and loans not exceeding ₹2.00 lakh provided directly by banks to SHG/JLG for activities other than agriculture or MSME, viz., loans for meeting social needs, construction or repair of house, construction of toilets or any viable common activity started by the SHGs. Loans to distressed persons [other than distressed farmers indebted to noninstitutional lenders] not exceeding ₹1.00 lakh per borrower to prepay their debt to non-institutional lenders.

**I). Loans to MSMEs (manufacturing & service sector)** will be covered under Priority sector, without any cap.

**J). Performance of Banks under Priority sector** will be monitored on quarterly basis.

**K). Banks should not levy any service charges upto a loan of Rs 25000 under Priority sector.**

**a) Targets/Sub-targets for Priority sector:**

Categories	Domestic scheduled commercial banks and Foreign banks with 20 branches and above	Foreign banks with less than 20 branches	Regional Rural Banks	Small Finance Banks
<b>Total Priority Sector</b>	40 percent of Adjusted Net Bank Credit [ANBC defined in sub paragraph (iii)] or CEOBSE (Credit Equivalent Amount of Off-Balance Sheet Exposure), whichever is higher.	40 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher; out of which up to 32% can be in the form of lending to Exports and not less than 8% can be to any other priority sector.	75 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher; However, lending to Medium Enterprises, Social Infrastructure and Renewable Energy shall be reckoned for priority sector achievement only up to 15 per cent of ANBC.	75 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher.
<b>Agriculture</b>	<b>18 percent</b> of ANBC or CEOBSE, whichever is higher. Within the 18 percent target for agriculture, a target of 10 percent is prescribed for Small and Marginal Farmers (SMFs)	Not applicable	18 per cent ANBC or CEOBE, whichever is higher; out of which a target of 10 percent# is prescribed for SMFs	18 per cent of ANBC or CEOBE, whichever is higher; out of which a target of 10 percent# is prescribed for SMFs
<b>Micro Enterprises</b>	<b>7.5 percent</b> of ANBC or	Not applicable	<b>7.5 percent</b> of ANBC or	<b>7.5 percent</b> of ANBC or



	CEOBSE, whichever is higher		CEOBSE, whichever is higher	CEOBSE, whichever is higher
<b>Advances to Weaker Sections</b>	<b>12 percent</b> of ANBC or CEOBSE, whichever is higher	Not applicable	15 per cent of ANBC or CEOBE, whichever is higher	12 percent of ANBC or CEOBE, whichever is higher

**HUMAN RESOURCES, LEARNING & DEVELOPMENT AND IN HOUSE JOURNALS:** HRMS is a paperless facility (online in house platform) for Human Resources Management. All permanent staff members can access their HR related matters in HRMS. An Employee Engagement & Connect Exercise, a special Survey (“**STAR ANVESHAN**”) which promises to take human as well as humane aspects of the Bank’s functioning a notch higher. The 360 degree feedback survey being conducted among senior executives shall facilitate in maintaining a leadership pipeline.

Several initiatives in HR areas such as introduction of **Job family, performance management system, individual development, Talent Management, Leadership Development and succession planning** have been adopted by the Bank in order to have a substantial productivity and efficiency gain and to reinforce future leadership.

Bank has undertaken **several measures to protect the Staff employees** from spread of Covid-19 infection like staggered working hours, work from home, restricted business hours, work on rotational basis etc. based on SOP advisories as and when received from the Government/ IBA.

**Talent Management and Succession Planning:** Identifying and shortlisting critical positions/ roles in nine critical areas such as, Corporate Credit, Credit Monitoring, Recovery, Treasury, Risk Management, International Division, Information Technology, ITES and HRD. It is proposed that upon identification of the critical roles, competencies will be mapped vis-à-vis the critical roles identified. Accordingly, the current incumbents and potential employees in these roles will be suitably trained and groomed to assume these roles in time.

**Performance Management:** Bank has put in place the mechanism for achieving an objective assessment of employee performance through a system driven mechanism that will allow course correction feedback and action thereof. In the FY 2021-22, the Performance Management System (PMS) in our Bank will be based on following parameters:

(Budgetary Appraisal)	65% weightage for business dimensions, 15% weightage for managerial dimensions, 5% for completion of E-learning and
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	15% for qualitative aspects of business.
(NonBudgetary Appraisal)	50% weightage given for KRA's, 45% weightage for managerial dimensions and 5% weightage for completion of E-learning modules

With the Budgetary Appraisal, target / budget figures already being captured from the FINACLE and compared with budgetary targets vis-à-vis the actual performance since 2019-20, Bank's current endeavor is to increase the degree of measurability of the Non-budgetary parameters of Appraisal as well.

**Towards HR transformational strategy:** To identify amongst the available talent to assess potential before considering and grooming for suitable critical roles/ positions in the Bank, and Over the next 5 years, Bank shall implement Succession Planning with an aim to groom identified talents for future leadership roles.

**Learning and Development Department:** A separate independent Department as overall countrywide in charge of the training colleges, MDI and all related activities including capacity building. In house talent development and imparting of class room trainings are being taken care of by the Learning and Development Department. Due to COVID 19 pandemic, bank has been using Digital Platform to train its employees. Bank's **7 training colleges** have imparted training to 30000+ number of employees during the financial year using digital platform. Bank has been using E-Learning modules for enhancing the competencies of employees and to equip the staff with right skills and knowledge for meeting ever changing business dynamics across different segments. 21000+ officers have done various e learning modules. To enhance the capabilities of officers in key work areas of the Bank, the Capacity building certification programme is also launched. To improve Data Analytical Skill of Staff, Bank has made **collaboration with Manipal Global** to impart training in niche area of Data Science. Select Executives have been nominated for training for IIM Bengaluru as per BBB instructions. As per CVC guidelines, uniform Induction Training Programme of Newly Recruited Officers and also programme on Preventive vigilance for newly joined officers and mid-career officers have been adopted by the Bank.

**Compliance with Reservation Policy:** The Bank is complying with the reservation policy of Government of India. Recruitment and SC/ST Cells at Head Office and Zonal Offices ensure to implement the reservation policy and redressal of grievances relating to SC/ ST/OBC Employees. General Managers at Head Office are designated as Chief Liaison Officer for SC/STs and OBCs. Officers from SC/ST/OBC categories are designated as Cell / Liaison Officers at Zonal Offices. Post-based Reservation Rosters are maintained as per Government guidelines. The Bank has been providing Reservation for Persons with





Disabilities (PWDs) @ 4% of the total vacancies arising in Officer, Clerical and Sub-staff cadre. Reservation of **10% to Economically Weaker Sections (EWSs)** in Direct Recruitment was implemented in the Bank with effect from 1st February, 2019.

Reservation in India is a system of affirmative action that provides representation for historically and currently disadvantaged groups in Indian society in education, employment and politics. Enshrined in Articles 15 and 16 of the Indian Constitution, it allows the Indian government to set quotas to ensure any "socially and educationally backward classes of citizens" is properly represented in public life. **Reservation Criteria, at present:**

Schedule Cast (SC)	Schedule Tribe (ST)	Other Backward Class(OBC)	Reservation on Economic basis for General Category
15%	7.5%	27%	10%

**Meaning of Creamy Layer :** There is a provision of 27% reservation for the persons of OBC category in educational institutes, Govt. jobs. If the annual income of the such backward family is more than Rs 8 lakh, then, they should be out of the purview of reservation benefits, available to OBC and would be treated under "Creamy Layer".

**Reservation on economic basis:** 10% reservation was allowed for economically backward people by enacting 103rd amendment in our constitution on 12.01.2019. To avail the benefit of this reservation, the **eligibility criteria is as under:** Annual income of the family should not be more than Rs 8 lakh, agriculture land should not be more than 5 acre, house in the city should not be more than 1000 square feet, plot in the notified municipal area should not be more than 100 yards, plot in non-notified municipal area should not be more than 200 yards.

**Persons belonging to communities that already have reservations such as Scheduled Castes, Scheduled Tribes and the "creamy layer" of Other Backward Classes are also not eligible for reservation under this quota.**

- **Extraordinary Leave** – The competent authority can sanction extraordinary leave (EL) to an officer only up to **360 days** (reckoned cumulatively during the entire period of service). Authority to consider EL beyond 360 days but up to a maximum of 720 days rests with the board.
- **Extraordinary Leave** may not be availed of except for sufficient reasons for more than 90 days at a time.
- **PL Leave:** an employee other than a member of the Executive Committee of a registered trade union of the employees of the Bank shall not be entitled to take privilege leave on more than four occasions in a calendar year. Privilege Leave should be applied not less than 15 days before the proposed date of commencement of such leave. Privilege Leave accruing to an employee on or after the date of this settlement, shall be allowed to be accumulated beyond 240 days up to a maximum of 270 days. However, encashment of privilege leave shall be restricted up to a maximum of 240 days.
- **Paternity Leave:** With effect from the 1st June 2015, male employees with less than two surviving children shall be eligible for 15 days Paternity Leave during his wife's confinement. This leave may be combined with any other kind of leave except Casual Leave.



The leave may be availed up to 15 days before or up to 6 months from the date of delivery of the child.

- **Casual Leave:** an employee shall be entitled to Casual Leave up to a maximum of 12 days in each calendar year, provided that not more than 4 days may be taken continuously. It is reiterated that holidays and weekly offs prefixing/suffixing or falling within the period of Casual Leave will not be treated as part of Casual Leave.
- **UCL:** can be availed without production of medical certificate for Max. 10 days in a year subject to no balance in C.L. account in the relevant year. Such leave can be availed for Max. 3 days per occasion. UCL can be availed without Medical Certificate maximum one day at a time irrespective of balance of C/L (Under industry level Bipartite Settlement)
- **Special Sick Leave:** Special Sick Leave up to 30 days may be granted to an employee once during his/her entire period of service for donation of kidney/ organ.
- **PL Encashment & LFC** – Encashment shall normally be made not before 15 days from the date of proceeding on leave. Once in every 4 years, when an officer avails LTC, he may be permitted to surrender of encash leave not exceeding 30 days at time.
- **Annual Encashment of PL:** From this year 2020, PL encashment shall be permitted at the rate of 5 days of each calendar year at the time of any festival of the employee's choice. Employees who have completed 55 years of age can encash at the rate 7 days per calendar year.
- An officer by **overusing** on option anytime during a 4 years block or 2 years block, as the case may be, surrender and encash his LTC (other than travel to place of domicile) upon which he shall be entitled to receive an amount equivalent to 100% of the eligible fare for the class of travel by train to which he entitled up to a distance of 4500 kms one way for officers in JMG-I, MMG-II & III and 5500 kms one way for officers in SMG-IV and above. JMG-I Ltd will be entitled to travel by air in the lowest fare economy.
- **Earned leave (PL)** – Encashed amount of salary for such period of encashment as does not exceed **8 months** (240 Days) calculated on the basis of the average salary drawn by the employee during the period of ten months immediately preceding his retirement or Rs. 300,000 whichever is least.
- **Lapse of leave** – All leave to the credit of an officer shall lapse on resignation, retirement, death, discharge, dismissal or termination. Staff eligible to be paid a sum equivalent to the emolument of any period not exceeding 240 days of PL that he accumulated.
- **Sick Leave** – An officer shall be eligible for 30 days of sick leave for each completed years of service subject to a maximum of 18 months during the entire service. Such leave can be accumulated up to 540 days during the entire service. One month for every year of service. Maximum 18 months during entire service. Where service of an employee is more than 24 years an additional 1 month for every year of service in excess of 24 years subject to 3 months of additional sick leave. Sick leave can be availed without production of medical certificate after exhausting Casual leave. This is subject to a maximum of 3 days on an occasion and 10 days in a calendar year.
- **Additional sick leave** – On and from 01/01/1989 where an officer has put in a service of 24 years, he shall be eligible to additional sick leave for a maximum of 3 months.
- **Sabbatical leave** – Bank of India sabbatical leave scheme for female employees herein after referred as **BOISLFE**. All permanent female employees of the bank viz. officers of workmen staff eligibility **minimum service 5 years** (Note- female employees against whom disciplinary actions/ vigilance/ CBI/ any cases are pending are not eligible to apply for



sabbatical leave). Those female employees who are on probation upon their promotion from clerical cadre to officer's cadre or from sub-staff to clerical cadre are also not eligible to apply for sabbatical leave. **Sabbatical leave shall be for a minimum period of 3 months** and shall not be taken more than once in a calendar year. The maximum period of leave that can be allowed under the **scheme will be of 2 years during entire services**. Application to be sent one month in advance.

- Festival and all types of sundry advance if any to be fully repaid before proceeding on leave, provided the period of leave sanctioned is eighteen months or more.
- **Maternity leave** – Leave up to a period of **6 months** at a time may be granted by way of maternity leave so however that not more than 12 months of such leave shall be available during the entire period of service of the officer.
  - Legally adopting a child – Maximum period of 2 months.
  - Maternity leave on probation also can be availed.

**Paternity leave** - A male civil servant (including an apprentice, probationer) with less than two surviving children, may be granted **Paternity Leave** for a period of 15 days before or up to six months from the date of delivery of the child.

- **Casual leave** – 12 working days in a year & not to be taken more than 4 days at any time.
- **Special casual leave (Male)** – 6 days to undergo operations for sterilization. 7 days to employee whose wife undergoes sterilization.  
Special casual leave (Female) 14 days to undergo operation for sterilization.
  - Festival Advance - 1 Month Gross Salary current month.
  - Donation for PMNRF - 1 day in a year.
  - Corporate Insurance- Officer AWARD staff and their dependents
  - Photo upload in HRMS - personal information
  - Not automatic yet in HRMS - Annual & Stagnation Increment.

**HINDI OFFICIAL LANGUAGE:** In simple terms, the language of official work of the Government is called Official language. on 14<sup>th</sup> September 1949 it was unanimously resolved in the constituent assembly that Hindi will be the Official Language of independent India. Hence, 14<sup>th</sup> September is celebrated as “**Hindi Day**” every year. Hindi month was observed from **15 Aug to 14 September** every year.

**OFFICIAL LANGUAGE:** There is a well-established Official Language Department in our bank which ensures the implementation of the provisions and the progressive use of Hindi with regard to the official language policy of the Government of India. During the year **our Bank bagged “Kirti Puraskar” (First Prize) B Region for the year 2019-20 for the excelent performance in official language implementation which is the highest award given by Government of India for Rajbhasha Implementation.** TOLIC Ratnagiri which is working under the convenorship of our Bank has been awarded with “Kirti Puraskar” (Second Prize). TOLIC Noida, Nagpur and Muzaffarpur have got prizes at regional level. Apart from this, Zonal Office Goa, Huballi Dharwad and STC Noida have also bagged prizes at regional level which are highest prizes at the said level. Further our Zones/Branches have got prizes from TOLIC. Our bank has organized 139 Hindi workshops during the year in which 3124 staff members have been trained. Rajbhasha E-learning and a module on





'Anuwad' have been prepared. Hindi E-mail competition on quarterly basis was conducted during the year for the departments of head office. Hindi Month was celebrated from 15 August, 2020 to 14 September, 2020. 'Rajbhasha Shield Competition' was organized for the departments of head office and zones separately. Reference literatures were prepared by the Bank in the Regional Languages. Writeups on eminent personalities is sent to all offices/branches in Rajbhasha Hindi every week by the Head Office. Our bank is successfully carrying out the responsibility of the convenorship of 8 TOLICS.

For the divyang (blind) official language officers of our bank, the official language policy, annual programme and bilingual notings in '**Brail Script**' have been prepared by one divyang official language officer of bank. The same have been released by the Director (Implementation), DOL, MHA, Govt. of India in a review meeting of our official language officers in presence of our Executive Director (now MD&CEO) Shri. A.K.Das.

- ❖ According to **Article 343(1) Official language of the Union is** Hindi in Devanagari script.
- ❖ In **Article 344**, there is a provision of constituting "Official Language Commission" after 5 years from the commencement of the Constitution and to constitute a "Parliamentary Committee" to discuss/ consider the recommendations made by the Commission.

In **Article 345** the State Governments were given liberty to choose their language or Hindi as their Official Language

- ❖ As per **Article 346** communication among States and between the Central Government and the State Governments will take place in the Official Language of the Union i.e. in Hindi or English.
- ❖ According to **Article 347** the language spoken by a part of the population of a State may be given official recognition.
- ❖ According to **Article 348** proceedings of the Supreme Court and High Court and the authoritative text of Central and State Acts, Bills, Ordinances, Orders, Rules, Regulations or bye-laws shall be in English Language.
- ❖ According to **Article 350** every person shall have right to submit a representation for the redressal of any grievance to any officer or authority of the Union or a State in any of the languages used in the Union or in the State, as the case may be.
- ❖ **Article 351 says** that it shall be the duty of the Union to promote the spread of the Hindi language and to ensure its development by adopting vocabulary primarily from Sanskrit and secondarily from other languages. This Article is very important as there are very a few places in the Constitution where Union Government has been given direction and this is one of them.
- ❖ In **8<sup>th</sup> Schedule** of the Constitution, 22 Indian Languages have been recognized namely Hindi, Assamese, Bengali, Gujarati, Kannada, Kashmiri, Malayalam, Marathi, Odia, Panjabi, Sanskrit, Tamil, Telugu, Urdu, Sindhi, Konkani, Manipuri, Nepali, Maithili, Dogari, Bodo and Santhali.

[राजभाषा अधिनियम, 1963 Official Language Act, 1963](#)





As discussed in Constitutional Provisions, the use of English as Official Language was to expire in 1965. But practically it could not be achieved. Hence Official Language Act, 1963 was passed. Implementation of this act signaled the beginning of an era of bilingualism. The main provisions of this Act are as under -

- ❑ Under **Section 3(3)** of this Act, 14 types of documents have to be compulsorily issued in Hindi and English. These documents are -
  - Resolution, General Order, Rules, Notifications, Administrative and other reports or Press Communiqué;
  - Administrative and other reports and official papers laid before a house or House of Parliament.
  - Contracts, Agreements, Licenses, Permits, Notices and form of Tender.
- ❑ **Section 4** of this Act provides for the constitution of Parliamentary Official Language Committee. This Committee inspects the offices, Undertakings, Corporations and Banks which are under Central Government. **The Home Minister, Govt. of India is the ex-officio Chairman of this Committee.** The 3<sup>rd</sup> sub-committee of this committee inspects Banks. In addition to this Documents and Evidence Sub-Committee is also involved in inspection of Central Government Offices and Banks. This sub-committee has discussions with the members of TOLIC.
- ❑ According to **Section 7** of this Act, the High Courts can give decision etc. in the language of their State but with the prior permission of the President of India. Translation in English of such decisions etc. should also be issued.
- ❑ As per **Section 8** of this Act, Official Language Rules were passed which we shall learn later.

### राजभाषानियम, 1976 Official Language Rules, 1976

Official Language Rules, 1976 are as under –

- **Rule 1** states that these rules are applicable to whole of India **except Tamil Nadu**.
- **Rule 2** classifies whole of India into **three linguistic regions which** are as under :
  - **Region A** includes Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Jharkhand, Madhya Pradesh, Rajasthan, Uttar Pradesh, Uttarakhand, Delhi and Andaman & Nicobar.
  - **Region B** includes Gujarat, Maharashtra, Punjab, Chandigarh, Daman & Diu and Dadar & Nagar Haveli.
  - **Region C** includes States and Union Territories not covered under Region A and Region B.
- As per **Rule 3**, communication between State Government and Union Government in **Region “A” and Region “B” shall be in Hindi Language**. If communication takes place in English language then such a communication shall be accompanied by a Hindi



translation. Communication emanating from Central Government Offices to State Government and public in Region "C" shall be in English Language.

- As per **Rule 4** even in Region "C" communication between Central Government Offices could be in Hindi and English.
- As per **Rule 4** even in Region "C" communication between Central Government Offices could be in Hindi and English.
- **Rule 5** states that letter received in Hindi must be replied in Hindi.
- According to **Rule 6** it is the responsibility of the person signing the 14 types of documents mentioned in Official Language Act, 1963 to ensure that such documents are prepared, executed and issued in both Hindi and English.
- As per **Rule 7** letters signed by an officer or an employee in Hindi must be replied in Hindi.
- As per **Rule 8** no employee possessing working knowledge of Hindi can ask for English translation of any document in Hindi except in such cases where the said documents are of legal or technical nature.
- **Rule 9** gives the definition of employee who is proficient in Hindi. According to this rule an employee is Proficient in Hindi if – He has passed matriculation examination with Hindi as the medium of instruction. He has taken Hindi as optional subject at degree level or any equivalent or higher level. He declares himself to possess proficiency in Hindi.

**Rule 10** gives the definition of employee who possess working knowledge of Hindi. According to this Rule an employee has working knowledge of Hindi if – He has passed matriculation or equivalent or higher examination with Hindi as a subject. He has passed **Pragya examination** under Hindi Teaching Scheme of the Govt. of India. He has passed any other exam specified for that purpose by the Central Government. He declares that he possess working knowledge of Hindi

- According to **Rule 11** all manuals, codes, other procedural literature, forms and headings of registers, name-plates, sign-boards, letter-heads, inscription on envelopes and other items of stationary shall be in Hindi and English.
- According to **Rule 12** it is the responsibility of the Administrative Head of the Office to ensure that provisions of Official Language Act and Rules are complied with. It is also his responsibility to devise suitable and effective check points for the purpose.

## वार्षिक कार्यक्रम Annual Programme

The Official Language Department of Govt. of India issues targets for Rajbhasha Hindi every year. Important targets under this are as under-

- 14 types of documents mentioned in Section 3(3) of Official Language Act, 1963 are to be issued bilingually.
- Offices situated in Region "A" have to do 100% of their correspondence in Hindi but target for the letters which they send to Region 'C' would be 65%.



- Offices situated in Region 'B' have to do 90% of their correspondence in Hindi but target for letters which they send to Region 'C' would be 55%.
- Offices situated in Region 'C' have to do 55% of their correspondence in Hindi irrespective of any specific region.
- Letters received in Hindi have to be replied in Hindi.
- Targets for Notings in Hindi are 75%, 50% and 30% for region 'A', region 'B' and region 'C' respectively.
- All employees are to be trained in Hindi.
- 50% of the expenditures on the purchase of books have to be on the books in Hindi.
- The website of the Bank should be bilingual.
- Information on Public Notice Board should be bilingual.
- In a year 04 meetings of Official Language Implementation Committee are to be organized.
- Foreign Branches have to do 50% of their correspondence in Hindi.
- All the offices located outside the country must have Hindi typing facility on all the computers.

## तिमाहीप्रगतिरिपोर्ट Quarterly Progress Report

**Quarterly Progress Report is submitted to the Official Language Department** of the Government of India. Notable points in this report are as under:-

- Part 1 of Quarterly Progress Report is to be submitted every Quarter. Part 2 is submitted only in March Quarter.
- Head 1** : Documents mentioned under Section 3(3) of Official Language Act, 1963 have to issued bilingually. Please note that except for Notice, no documents are issued under this section at Branch level.
- Head 2** : All the letters received in Hindi must be replied in Hindi.
- Head 3** : Letters received in English should also be replied in Hindi but this is applicable only for Region 'A' and Region 'B'.
- Head 4** : Offices situated in Region 'A' should communicate 100% in Hindi but the letters that they send to Region 'C' may be 65%. Offices situated in Region 'B' should communicate 90% in Hindi but the letters that they send to region 'C' may be 55%. Offices situated in Region 'C' should do 55% of their correspondence in Hindi.
- Head 5** : Employee in Region A, B and C are expected to write 75%, 50% and 30% of Notings in Hindi.
- Head 6** : Zonal Offices have to conduct 04 Hindi workshops in a financial year.
- Head 7** : Four meetings of Official Language Implementation Committee are to organized in a year. (one in each quarter)



- ❑ **Head 9** : Under this head the notable works regarding Official Language implementation should be mentioned.
- ❑ The Quarterly Progress Report should be submitted to the Zonal Office within **one week** of the completion of the quarter. Quarterly Progress Report should be uploaded on Star Desk as well.

### **AWARDS AND RECOGNITION:**

The Bank has been conferred Awards in various fields as under:

- 2nd Most Trusted Brand Award in the category of Banks, both by the Reader's Digest as well as the Economic Times for 2020.
  - In the India Banking Summit & Awards 2019, Bank of India ranked as Best Public Sector Bank 2019 by Synnex Group.
  - Best Performing Public Sector Bank in APY campaign Leadership Capital 2.0 (Jan-2020) for MD &CEO.
  - Bank has won "APY Annual Award (2020-21)" for overall performance for achieving 'per APY' target.
  - Bank has awarded "Best performer under PSU category for Amazing Achievers of APY (AAA)" by PFRDA during 1st February 2021 to 31st March 2021.
  - ETBFSI Excellence Awards 2019- Most Innovative Large Size Bank of the Year for QR Cash.
  - Bank of India has been conferred CSO-100 Award-2019 from IDG Media for Implementation of Best Information Security Practices.
  - Infosys Finacle Client Innovation Awards in the category "Product Innovation" for QRCash, 2020.
  - Bank of India, received 'HR Leadership Award 2021 by World HRD Congress.
  - SKOCH AWARD 2021, SILVER in Excellence in Technology Category for "Document Management System".
  - "OUTSTANDING PERFORMER ON BSE BOND PLATFORM" amongst all Banks' Category by BSE.
  - IDRBT Banking Technology Excellence Award, **Best Bank for Managing IT Ecosystem** and **Best Bank for Electronic Payments** large Bank category.
  - Bank of India awarded "India's Top Organisation with Innovative HR Practices" award in PSUs in the Asia Pacific HRM Congress in Bengaluru.
  - Bank of India has been conferred "**Market Achievers' Award**" in Currency Derivatives Segment amongst Public Sector Banks by NSE.
  - Bank of India awarded as "**Best Performer in Currency Derivative Segment**" amongst all Banks' Category by BSE.
  - Bank of India awarded as "**The Most Efficient Bank in Kenya**" by Think Business Banking Award 2018.
- Bank was awarded Runner-up Trophy for "**Excellent performance in AEPS, large Bank Category**" by NPCI.
- BOI Joint Runner up – Agriculture banking under large bank category.
  - Gold (First Prize) for BOI Vaarta.

### **MMS, HRMS & FINACLE IT & Miscellaneous:**





**Core Banking Project:** at present all our branches are functional in CBS environment. The entire project is outsourced to **HP India Pvt Ltd.** And the **software is used for the project "Finacle"** is sourced from leading software house **Infosys Technology Ltd.** (Project Star Shakti).

**Mail Messaging System (MMS)** This is Bank's corporate mail. } URL to access through Internet (Outlook Web App): <https://cas.bankofindia.co.in/owa> } URL to access through Intranet/ Finacle PC: <https://172.1.57.64/owa> } MMS password now can be reset through Finacle menu ADM or menu STARLINK option 14.

**CAPS (CREDIT APPLICATION PROCESSING SYSTEM)** This is a centralized web based application and data can be viewed by all our branches. All processes are standardized and become uniform across all branches. We can get CBD23 in Customer Profile ♦ Assets & Liabilities details. A sanction letter preview button is provided through which the sanction letter can be viewed/printed. We can find approved list of Lawyer/Valuer/Appraiser in CAPS. List of authorised vehicle dealer is also available in CAPS. Credit Report /Score in CAPS can be generated through Highmark, CIBIL, Experian & Equifax. Through CAPS, we can request for credit card.

**FINACLE** Finacle is core banking solution (CBS) which was introduced to meet ever-growing challenge of customer satisfaction. It was implemented under the project Starshakti. System integrator is HP and software is provided by M/s INFOSYS. It facilitates anywhere, anytime and any how banking. It is having advantages of CBS, enhance security feature, back office function and integration with core modules like GBM, CRM & E-CHANNEL with core software.

- **Gallery: Uniform Resource Locator (URL):** The address of a Web page on the Web. **Web browser:** Software used to view Web pages. **World Wide Web (Web):** A system of computers that share information by means of links on Web pages.
- **Archiving:** The process of organizing, storing and saving old documents. **Bcc:** Blind carbon copy. **Contact groups:** Collections of contacts that provide an easy way to send messages to everyone within a group or department
- The process of transformation of a message into an incomprehensible data through use of mathematical algorithms is called: - **Encryption.**
- The art and science of keeping files and messages secured is called: - **Cryptography.**
- The key F12 in MS office opens a - **Save as dialog box.**
- What is the short cut key to open the 'Open dialog box' in MS Office? - **Ctrl + F12.**
- Portrait and landscape are - **Page orientation.** MS Excel is a - **Spreadsheet.**
- Title bar shows the name of – **Window.**
- In word, the mailing list is known as the **Data source.**
- Which of the following can be treated as an example of Real Time System - **RTGS**
- In CAPS User Id is provided to whom - **All Staff Members except Sub-Staff.**
- What is the function key used in FINACLE to list the available option- **F2.**
- Menu option "CCA" in FINACLE is used for - **To change customer id of an account**
- As regards to CAPS, each proposal has got unique number called- **Application number**
- To activate memo pad screen from any location the menu option is Control + **F9.**
- The function key for go to previous screen in FINACLE is - **F12.**
- A/c pegged selected as "y" means - **Fixed rates for specified period.**



- What is the function of F11 hot key in FINACLE - **For validating the current field & moving next field.**
- To attach a CC A/C to limit node tree the DP Indicator of the A/C should be - **P -parent.**
- Inspection report of property, HL in CAPS is available in which tab- **Proposed asset.**
- Transaction Id starting with 'S' indicates - **System generated transaction.**
- Menu options starting with 'H', like HRTGS, HCUMM are called- **ONS Menu Options.**
- With reference to CAPS, if any proposal sent for scrutiny to any Staff Member where will he find that proposal- **Workflow Inbox.**
- How can user change his password in Finacle application -**Through Background Menu.**
- Can the same user do the posting and verifying of a transaction? – **No, Maker Checker concept is in force.**
- For generating SWIFT message through Finacle for LC, user has to visit menu option - **Both J & 8.**
- Operative A/c in respect of Foreign Bills is - **Only CAA/CCA/ODA scheme type of accounts of our party.**
- Customer ID consist of how many digits – **9 Digits.**
- If the customer of Star-Connect retail applies for the IPO online using ASBA: **The amount of IPO gets blocked & remains in the customer's account & customer earns the interest on the same too.**
- Customer can make online bid cum application to ASBA IPO from **star connect internet banking- Can be done only by retail banking customer having transaction facility and also having D-mat account with any of the DPOs.**
- Transaction password for Internet Banking (**Star Connect**) can be reset using ATM card. - **Only customers using STAR TOKEN facility for more than six month can do it.**
- Which categories of account holders are not eligible to enrol for the OLTS facility - **Minor**
- Bank of India's Internet Banking facility is not available for - **Minor.**
- Following services are not available through BOI's Internet Banking (retail) - **Bulk uploads.**
- Which are the facilities not available in Star connect Corporate Services – **ASBA and Resetting Transaction Password using ATM Card.**
- **Debit-cum-ATM Card can be issued to** A. Illiterate account holders B. Accounts operated by joint signatures. C. Account of a minor **D. Sole proprietor** E. An account in which a minor is a joint account holder.
- Intraday square-off is - **Is a feature which is offered in star e-share**
- Our ATMs can dispense maximum **40** Notes at a time irrespective of denominations.
- In e-pay the bills of the customers get paid - **Prior to 5 days of the due date of the bill**
- As regards to Retail Internet Banking the validity of passwords is - **730 days for login password and 180 days for transaction password.**
- As regards to Retail Internet Banking the passwords are - **Login password is pre-enabled & Transaction passwords needs to be acknowledged.**



- The maximum amount that can be remitted through NEFT is- **Any Amount – No maximum limit.**
- Facility not available at call centre through IVRS is - **Generation of TPIN.**
- The password for star desk is - **The same as that of MMS (Mail messaging system).**
- What is available on KMT (**Knowledge Management Tool**) - **Circulars from regulators like RBI.**
- The password for MMS **should not consist** of A. Your first name B. Your PF number C. Your last name D. Your user ID **E. All the above**
- Latest circular folders can be viewed in MMS through - **Public folders**
- Emails from inbox are automatically deleted after **Never deleted by itself.**
- Emails to a group of recipients can be sent using **Distribution list.**
- Reminders can be generated through MMS - **By right clicking on flag.**
- In HRMS package, if the recommending authority is on leave, then the leave of an employee under him can be recommended by **C. Alternate recommending authority of the employee.**
- The flow of leave application in HRMS package is- Application, **recommending, then sanctioning of leave.**
- **IEC CODE-** Issued by DGFT & mandatory for the exporter to have IEC code.
- The user id in HRMS package is issued to - **All staff members**
- Following packages can be accessed through BOISAFE - **HRMS, MMS, CAPS, STARDESK, KMT & Generic OWA.**
- Promotion application in HRMS package can be made through- **Self Service & Promotion Request.**
- Approval of leave in HRMS package is done through - **Manager self-service.**
- **EDCMSTR:** for on boarding POS merchants through CBS.
- **HRMSPWD-** Menu option HRMSPWD has been enabled in Finacle for resetting HRMS Password. Now all Finacle users can reset their own HRMS password through this men
- For reimbursement of quarterly fuel claims by staff who owns a vehicle - **License is not a must but Vehicle should be in his single name plus Vehicle details in the name of staff member to be entered once upon transfer to a new zone.**
- Data base of HRMS package is maintained - **Centrally.**
- Sending the mail through MMS is possible - **To any email account of any domain.**
- What action to be taken on forgetting HRMS password - **Give correct reply to 3 secret questions.**
- Absence request in HRMS is available in - **Report time**
- The PDC details of an employee are available in -**View PDC in Main menu**
- The LFC can be entered in HRMS- **After the LFC set up is done by administrator.**
- **HRMS (Human Resource Management System)** package is a software of - **Peoplesoft.**
- Salary slip generated through HRMS does not contain - **Date of superannuation.**
- PF statement is available in HRMS package in - **Self-service.**
- Leave once sanctioned - **Can be cancelled by employee himself.**
- Local address details are available in HRMS package in - **Personal data card.**





- Hardware token for BOISAFE - Is a visiting card like device which generates OTP when a button on it is pressed.
- **STAR TOKEN - NG** (NEXT GENERATION) – NG is a SECURED application created for Internet Banking Users & STARTOKEN is Two Factor Authentication Solution.
- Maturity Period Wise Deposit – **MDD**.
- **HPSM**- HP service manager.
- **EASE** – Enhanced Access and Service Excellence. **IBC** – Insolvency Bankruptcy Code.
- **SBLC**- Stand by Letter of Credit **BSS**- Business strategy spread **CRP**- Credit risk premium.
- **PCI DSS** - Payment Card Industry Data Security Standard
- **EDPMS** - Export Data Processing & Monitoring System.
- **LAPS**- Lending Application Processing System.
- **BCP** stands for - **Business Continuity Plan**. **DRP** stands for- **Disaster Recovery Plan**.
- **VPN** stands for Virtual Private Network. The term **ISP** stands for- Internet Service Provider.
- **SSL** stands for - Secure Socket Layer. **FTP** stand for- File Transfer Protocol.
- **BIOS** - Basic Input and Output System **VIRUS** -Vital Information Resource under Siege.
- **CAPS** stands for- Credit application processing system.
- **IMPS** stands for- Immediate payment service **ATM** stands for - Automated teller machine.
- **IRAC**- income Recognition & Assets Classification.
- **Deceased case** limit without Succession Certificate - 40 Lakhs.
- Current Account Report at ZO – CRILC.
- **COPRA act** - 24.12.1986
- Agriculture and Fishing – Aquaponics.
- **DIGI DHAN** Yojna launched by - NITI AYOJ.
- Sec 26 COPRA amount – 10000.
- Digital Sign Aadhar - E sign
- Fake notes FIR not up to - 4 notes.
- DRT min limit - 20 Lakhs.
- Basic Indicator approach method is for - Calculating capital for operational risk charge.
- Interest rate is a measure of - Market Risk.
- Foreign Banks Priority Sector up to - 31.03.2020.
- COPRA National Level - Above 1 Crore.
- RAROC - Risk Adjusted Return on Capital.
- Obligor not servicing debt obligation - Default Risk.
- Crystal Account Code – CRYST.
- Final lending rate after adding 2 additional components in MCLR - BSS and CRP.
- SARFAESI notice period - 60 Days.
- Not eligible for Restructuring/Re-Schedulement - Loss Asset.
- A legal Guardian is - Appointed by court of law.
- **MTM Provisions** – Mark To Market (MTM) provisions.
- “Mission Swabhimaan” was a campaign of our Bank in the year 2019 associated with.....? **ESPS**.
- Our Bank’s campaign “Mission Crown” is related with? **RAM**.
- For all BOI serving staffs, the TPA for medical insurance has been changed from Safeway to? **Raksha TPA Pvt. Ltd**.





# Bank Of India Officer's Association (Mumbai & Goa)



- If any staff want to see material for circular and policy, education & awareness program and tech news, he has to access in ? **Information Security Portal**
- For Learning News, Online Knowledge test Materials, schedules and online feedback on locational workshop by AMO's available in this portal? **Gyan Patal**
- Which of the following magazine / material not issued by our Bank? A. Meghtaara B. Security Net C. Guiding Star **The Indian Banker**
- Our Bank publishes a quarterly house Journal named for promotion of Hindi language amongst employees as per GOI official Language Policy. **BOI Vaarta**
- Our Bank's portal, that contains advances, deposits, closing, card products Deptt, EDPMS, Escalation Matrix ,FATCA, Knowledge sharing, Help Desk & FAQs document for branch is named as \_\_\_\_\_ ? **KRISH.**
- Forbes recognizes to which Bank \_\_\_ as one of the World's Best Employer 2021? D. BOI
- Which Bank has won BFSI Excellence Awards 2021, the Best Cyber Security Initiative in banking category? **BOI**
- Reserve Bank of India has Scheme of Penalty for non-replenishment of ATMs, Cash-out at any ATM of more than ten hours in a month will attract a flat penalty of ₹ \_\_\_\_\_? **₹. 10000/-**
- Who are the participants in TReDS? A. Sellers B. Buyers C. Financer **D. All the Above**
- The number of days for which a State/ UT can be in overdraft in a quarter has been increased to working days from the current stipulation of 36 working days. **50 days**
- In doorstep Banking Services for Senior Citizens and Differently Aabled Persons RBI has given instructions to implement above the age of ? **70 years**
- In doorstep Banking Services for Senior Citizens and Differently Aabled Persons, Banks shall report the progress made in this regard to the Customer Service Committee of the Board every? **Quarterly**
- Marginal standing facility (MSF), under which banks could borrow funds from RBI which is 1% above the liquidity adjustment facility-repo rate against pledging government securities. Fill up the exact option from the following? **Overnight**
- RBI has boarded the TReds Platform to facilitate invoice discounting facility for ....Borrower? **MSME.**
- Basel III guidelines to be implemented fully in India since: **31-03-2019**
- Under Basel III, a bank's tier1 and tier2 capital must be a minimum of of its risk-weighted holdings. **8.00%**
- As of 2019, under Basel III, a bank's tier 1 and tier 2 capital must be at least 8% of its risk- weighted assets. The minimum capital adequacy ratio (including the capital conservation buffer) is. **10.50%**
- Non-functioning of CCTV in currency chests, RBI will Levied Penalty upto what amount? **Rs.5000**
- Violation of any term of agreement with RBI for deficiency in service in providing exchange facilities as detected by RBI officials RBI will charge penalty immediately upto what amount? **Rs.10000**



- If 5 instances of violation of agreement/deficiency in service by the branch. The levy of such penalty will be placed in public domain. Penalty will be levied Rs. immediately. **Rs.5.00Lakhs**
- Who is the Authority to Impound Counterfeit Notes: A. All Banks B. All Treasuries and Sub-Treasuries. C. Issue Offices of Reserve Bank of India. **D. All of the Above.**
- RCSA to be extended as ? **Risk & Control Self-Assessment**
- What is the maximum Capital Conservation Buffer prescribed under Basel III? **2.50%**
- Expand CRMC as: **Credit Risk Management Committee**
- Quarterly review of the Monetary Policy by RBI generally in the month of: **April/July/Oct/Jan**
- New concept of RBLR interest rates introduced which includes Repo rate and? **Repo rate + CRP +BSS.**
- Interest rates charged by banks in terms of RBI directives can't be questioned, in a court of law, under the provisions of: **Sec 21-A of Banking Regulation Act**
- Which of the following liability is not taken as part of time and demand liabilities for the purpose of CRR: **Paid up Capital**
- RBI can issue directives to banks in respect of their loans/advances , under section 21 of: **Banking Regulation Act**
- A Bank's direct exposure to capital markets should not exceed % of its net worth on a solo & consolidated basis. **20%**
- A Bank's aggregate exposure to capital markets should Not exceed \_\_\_% of its net worth on a solo & consolidated basis. **40%**
- The number of banks which can participate in consortium advance is: **No minimum or maximum prescribed.**
- What is the maximum amount for filing a case in Lok Adalat? **20Lakhs**
- What is the minimum amount for filing a case in DRT (Debt Recovery Tribunals)? **Above 20 Lakhs**
- DRT (Debt Recovery Tribunals) is expected to decide the case within: **180days**
- Central Electronic Registry has been set up for registration of mortgages under provisions of: **SARFAESI Act 2002**
- A bank cannot grant loans and advances against its own shares under the provisions of: **Section 21(3) of Banking Regulation Act**
- With effect from September 2021, an incentive of Rs.\_\_\_\_\_ per bag for distribution of coins (instead of Rs.25/- as earlier) will be paid on the basis of net withdrawal from the currency chest (CCs), without waiting for claims from banks. **Rs.65/-**
- What is the time period of the notice to be given by Bank for taking possession of a security under SARFAESI Act? **60days.**
- What is the time period of the notice which is required to be given by a bank for sale of security after taking possession under SARFAESI Act? **30days.**
- If a borrower wants to approach DRT against possession notice received from bank, it can do so within how many days? **45days**
- An appeal against DRT in DRAT to be filed within .....days? **45days**
- The present definition of willful default has been adopted by RBI on the recommendation of **S S Kohli Committee.**



- The objective of the scheme was to encourage deployment of Points of Sale (PoS) infrastructure (both physical and digital modes) in tier-3 to tier-6 centers and north eastern states. Now RBI has included the street vendors in tier-I and tier-II centers as beneficiaries of PM street vendor (SVANidhi).
- The Payments Infrastructure Development Fund (**PIDF**) Scheme was announced by the Reserve Bank, What is the objective of the scheme? **To encourage deployment of Points of Sale (PoS).**
- In August 2020, which of the following received clearance from UIDAI to carry e-KYC authentication using Aadhaar? **CDSL**
- Full form of CIP\_\_\_\_\_? **Customer Identification Procedure.**

BOIOA (MUMBAI & GOA)