

# Info Capsule

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THE INSTITUTE OF  
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भारतीय कम्पनी सचिव संस्थान

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## 1. **DRAFT FRAMEWORK FOR AUTHORISATION OF A PAN-INDIA NEW UMBRELLA ENTITY (NUE) FOR RETAIL PAYMENT SYSTEMS- Press Release: 2019-2020/1921 (Dated 10<sup>th</sup> February, 2020)**

The Reserve Bank has today placed on its website a ‘draft framework for authorisation of a pan-India New Umbrella Entity (NUE) for Retail Payment Systems’ for public comments.

Such an entity shall be a Company incorporated in India under the Companies Act, 2013. The Company may be a ‘for-profit’ or a Section 8 Company as may be decided. The NUE shall be a Company authorised by Reserve Bank of India (RBI) under Section 4 of the Payment and Settlement Systems Act, 2007 (PSS Act). It shall be governed by the provisions of the PSS Act and other relevant statutes and directives, prudential regulations and other guidelines / instructions.

The Reserve Bank invites comments on the draft framework from all stakeholders by February 25, 2020. The comments may be sent directly to by post to [dpssfeedback@rbi.org.in](mailto:dpssfeedback@rbi.org.in) or may be sent by post to the Chief General Manager, Department of Payment and Settlement Systems, Reserve Bank of India, Central Office, 14th Floor, Shahid Bhagat Singh Marg, Mumbai-400001.

The detailed framework is available at:  
[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=49373](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=49373)

## 2. **INCENTIVISING BANK CREDIT TO SPECIFIC SECTORS – EXEMPTION FROM CRR MAINTENANCE – Notification No. RBI/2019-20/159 DOR.No.Ret.BC.30/12.01.001/2019-20 (Dated 10<sup>th</sup> February, 2020)**

It has been announced in paragraph 3 of the [Statement on Developmental and Regulatory Policies of February 6, 2020](#), that the Reserve Bank is actively engaged in revitalising the flow of bank credit to productive sectors having multiplier effects to support growth impulses. Accordingly, banks are allowed to deduct the equivalent amount of incremental credit disbursed by them as retail loans to automobiles, residential housing, and loans to micro, small and medium enterprises (MSMEs), over and above the outstanding level of credit to these segments as at the end of the fortnight ended January 31, 2020 from their net demand and time liabilities (NDTL) for maintenance of the cash reserve ratio (CRR).

Banks are advised that they can claim the first such deduction from the NDTL of February 14, 2020 for the amount equivalent to the incremental credit extended to the sectors indicated above over the outstanding level of credit as at the end of the fortnight ended January 31, 2020.

An amount equivalent to the incremental credit outstanding from the fortnight beginning January 31, 2020 and up to the fortnight ending July 31, 2020 will be eligible for deduction from NDTL for the purpose of computing the CRR for a period of five years from the date of origination of the loan or the tenure of the loan, whichever is earlier.

Banks are required to report the exemption availed at the end of a fortnight under “exemptions/others” in the Section-42 return, prescribed in Annex A to Form A as per [Master Circular on Cash Reserve Ratio \(CRR\) and Statutory Liquidity Ratio \(SLR\) dated July 1, 2015](#). Proper fortnightly records of net incremental credit extended to the select sectors/NDTL exemption claimed, duly certified by the Chief Financial Officer (CFO) or an equivalent level officer, must be maintained by banks for supervisory review.

The notification is available at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11807&Mode=0>