

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1926-Regd. No. 6908)

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Circular No. 64/2024

Date: 12.05.2024

To All Members (Please Circulate)

EMPOWERMENT SERIES **WEEKLY KNOWLEDGE UPDATE** **(05.05.2024 TO 11.05.2024)**

As a part of "WEEKLY KNOWLEDGE UPDATE", we have once again compiled gist of e-circulars for the period 05.05.2024 to 11.05.2024. We are delighted to bring out this compilation under **empowerment series** for circulation amongst members.

SYNOPSIS OF CIRCULARS ISSUED BETWEEN 05.05.2024 AND 11.05.2024

SL NO	CIRCULAR DATE	MASTERS SR NO.	DEPARTMENTS NO.	SUBJECT	GIST OF CIRCULAR
1	06.05.24	123/2024-25	CCO/CPD-ADV/15/2024 - 25	CREDIT DISCIPLINE IN FINANCING TO NBFC INVESTMENTS IN ALTERNATIVE INVESTMENT FUNDS (AIFs) BY NBFCs	Refer to Reserve Bank of India notification dated December 19, 2023 and clarification issued on March 27, 2024, on Investment in Alternative Investment Funds (AIFs), wherein to address the possible evergreening of underlying assets (borrowing/ debtor company) by making downstream investment by Regulated Entities (RE) through AIF route.
2	06.05.24	124/2024-25	IBG/IBG-Domestic(IBD)/4/2024 - 25	Unauthorized foreign exchange transactions	On investigation, it has been observed by the RBI that to facilitate unauthorized forex trading, these entities have taken recourse to engage local agents who open accounts at different bank branches for collecting money towards the margin, investment, charges, etc. These accounts are opened in the name of individuals, proprietary concerns, trading firms, etc. and the transactions in such accounts are not found to be commensurate with the stated purpose for opening the account in several cases. It has also been observed that these entities are providing options to residents to remit/deposit funds in Rupees for undertaking unauthorized forex transactions using domestic payment systems like online transfers, payment gateways, etc. In this context, RBI has invited attention of Authorized Dealer Category-I (AD Cat-I) banks. All Branches are required to be more vigilant to prevent the misuse of banking channels in facilitating unauthorized forex trading and exercise greater caution in this regard.
3	06.05.24	125/2024-25	NBG/SME/SCFU-e-DFS/13/2024 - 25	SUPPLY CHAIN FINANCE ELECTRONIC DEALER FINANCE SCHEME (e-DFS): CHAMBAL FERTILISERS AND CHEMICALS LTD (CFCL) FOR FINANCING THEIR DEALERS RENEWAL OF TIE-UP WITH MODIFICATIONS	Bank had entered into tie up with M/s Chambal Fertilisers and Chemicals Ltd (CFCL) for financing their dealers and renewal instructions were circulated vide e-Circular NBG/SME/SCFU-e-DFS/148/2022-23 dated 23.12.2022. The tie up has now been renewed for a further period of 12 months on the revised terms and conditions, placed as Annexure-I & Comfort letter placed as Annexure II
4	07.05.24	126/2024-25	IAD/IAD-RFIA/2/2024 - 25	Continuation of Campaign Quality Assurance - Suniyantran - 4 For RB&O branches undergoing RFIA from 01. 04. 2024 to 31. 03.2025	Please refer to e-Circular No. IAD/IAD-RFIA/1/2023 - 24 dated 10th May 2023, wherein "Quality Assurance Campaign: Suniyantran" was continued for RB&O branches for all the 4 quarters of FY 2023-24. In continuing with the objectives of improving the effectiveness of operations and compliance culture of operating units based on the awareness already created and signing of MoUs for FY 2024-25 by CAOs with respective DGM (B&O), it is proposed to continue the campaign as "Suniyantran - 4" in all quarters of FY 2024-25.
5	07.05.24	127/2024-25	R&DB/PBU/CD&e-COM-GL/1/2024 - 25	RETAIL LOANS: GOLD LOANS MASTER CIRCULAR: UPDATED UP TO 15.04.2024	The Master Circular on Gold Loan has since been updated with all instructions issued up to 15 th April 2024 and contains two annexures. Annexure I is incorporating product related details whereas Annexure II contains all forms related to P Gold Loan. Individual circulars of P Gold Loan issued are listed in the appendix of Annexure I. Operating functionaries and units are advised to take note of the above and comply accordingly.
6	07.05.24	128/2024-25	NBG/SMEBUSME CARLOAN/11/2024 - 25	SME BUSINESS UNIT PRODUCT: "SME CAR LOAN" REVIEW CUM MODIFICATION IN PRODUCT FEATURES	Based on the feedback received from operating functionaries and also on the business potential available under the product category, the Competent Authority has approved for continuation of the product with modifications to make it more competitive by including New To Bank (NTB) customers under the product. The details of the modifications are as per the Annexures of the circular.

Shubhajyoti Chattopadhyay

General Secretary

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7	07.05.24	129/2024-25	NBG/GAD-GOVT AC/6/2024 - 25	CENTRAL GOVT. TRANSACTIONS SOP ON TIN 2.0 TRANSACTIONS	TIN 2.0 System is hosted by the Income Tax Department under IEC 2.0 (Integrated eFiling and Centralized Processing Centre 2.0) Project and the same was rolled out in a phased manner, and our Bank was on boarded w.e.f. 01.04.2023. This Standard Operating Procedure has been issued to assist the Dealing Branches / Nodal Branch (Mumbai Main Branch) / GAD. This document deals with TIN 2.0 receipts and Refunds.
8	07.05.24	130/2024-25	CCO/ESG-CFU/3/2024 - 25	Modification in Standard Operating Procedure for Empanelment of Vendors/Channel Partners for Solar Finance in Residential Sector	SOP for empanelment of Vendors for Solar finance was issued vide Circular No. CCO/ESG-CFU/4/2023 - 24 on dated 20/01/2024. Subsequently, "PM Surya Ghar: Muft Bijli Yojana" was announced by the Hon'ble Prime Minister on 13.02.2024. The scheme envisages installation of 1 Crore rooftop solar projects in the residential sector over the period of three years. PBBU has introduced a loan product "SBI Surya Ghar Scheme for Solar Roof Top Finance", details of which are available in Circular No R&DB/PBU/CD&E-COM-PL/24/2023 - 24 dated 20 Mar 2024.
9	08.05.24	131/2024-25	R&DB/AGNYBKG-RBI/5/2024 - 25	MASTER DIRECTION: RBI Penal Provisions in reporting of transactions/ balances at Currency Chests	Refer to e- Circular No. R&DB/AGNYBKG-RBI-1/2/2023-24 dated 02.05.2023 on Levy of Penal Interest for Delayed Reporting/ Wrong Reporting/ Non-Reporting of Currency Chest Transactions and Inclusion of Ineligible Amounts in Currency Chest Balances. RBI has since revised the Master Direction on the captioned subject vide their notification No. RBI/DCM/2024-25/114 DCM (CC) No. G-2/03.35.01/2024-25 dated 01.04.2024, which is annexed to the Circular. RBI has also placed the updated directions on its website www.rbi.org.in
10	08.05.24	132/2024-25	NBG/PBU/PL-SCHOLAR/5/2024 - 25	RETAIL LOANS: EDUCATION LOAN SCHOLAR LOAN	The Competent Authority has approved inclusion of following Institute under Scholar Loan Scheme. National Institute of Industrial Engineering (NITIE), Mumbai changed as Indian Institute of Management, Mumbai (IIM Mumbai).
11	08.05.24	133/2024-25	CDO/P&HRD-PM/11/2024 - 25	STAFF: SUPERVISING PROVISION OF MOBILE PHONE / TABLET TO THE OFFICERS AND EXECUTIVES OF THE BANK - CLARIFICATIONS	Refer to Circular No. CDO/P&HRD-PM/6/2024-25 dated 12.04.2024 and CDO/P&HRD-PM/7/2024-25 dated 12.04.2024 on the captioned subjects. In this connection, the competent authority has approved following clarifications in the matter for operational ease and better understanding.
12	08.05.24	134/2024-25	NBG/GAD-GBU/7/2024 - 25	STATE GOVERNMENT BUSINESS TRANSFER OF BALANCE AS ON 31.05.2024 - TO BE DONE ON 15.06.2024	The cleared balances in the State Government Accounts of the Dealing Branches (DBs) are transferred at quarterly intervals to respective Fund Settlement Link Offices (FSLOs) / Focal Point Link Branches (FPLBs)/Nodal Branches. It has been decided that the balances in the State Government Accounts of the DBs as at the close of business on 31.05.2024 will be transferred to FSLOs/FPLBs/Nodal Branches on 15.06.2024.
13	09.05.24	135/2024-25	NBG-AB-IC&GL/ABU-ICGL-KCC	ABU & GSS DEPARTMENT FINANCING TO KCC ANIMAL HUSBANDRY (6530-1046) & FISHERY (6530-1209) MODIFICATION IN THE PRE-SANCTION INSPECTION / DUE-DILIGENCE	To ensure that a meaningful pre-sanction visit is conducted by the operating staff to verify the level activity, cattle/ buffalo/ goat/ sheep/ pig etc. owned by the applicant by visiting the place of activity and place of residence of the applicant, the Field Officer / Manager / Branch Manager who shall be conducting the pre-sanction visit, shall take a selfie properly capturing the asset/ site along with the applicant/ borrower. A printed copy of the photograph (selfie) shall be kept with the pre-sanction visit report duly signed by the official and other loan documents. The details of the livestock shall be verified like breed, number of animals, age, whether insured or not, average yield etc. and invariably captured in the pre-sanction visit report.
14	09.05.24	136/2024-25	R&DB/BOD-IBA/8/2024 - 25	IBA SCHEME FOR RECOMMENDING TRANSPORT OPERATORS COMMENTS OF MEMBER BANKS -PERIODIC REVIEW	Refer to IBA's letter No. TD/70-78/08-24/02 dated 02nd May 2024 in respect of Periodic Review of the recommendation accorded to the Transport Operators under the IBA Scheme.
15	09.05.24	137/2024-25	R&DB/BOD-IBA/9/2024 - 25	IBA SCHEME FOR RECOMMENDING TRANSPORT OPERATORS COMMENTS OF MEMBER BANKS	Refer to IBA's letter No. CIR/TD/A-42/2024-25/957 dated 25th April 2024, the list of transport operators are appended who have applied to IBA for being recommended to Member Banks under the IBA Scheme for recommending Transport Operators.
16	09.05.24	138/2024-25	CCO/CPD-ADV/16/2024 - 25	RBI MASTER CIRCULAR-GUARANTEES AND CO-ACCEPTANCES	Refer to e-Circular no. CCO/CPD-ADV/21/2023-24 dated 08.06.2023 wherein RBI guidelines on Guarantees and Co-acceptances were circulated. RBI has issued Master Circular dated 01.04.2024 wherein the instructions / guidelines relating to Guarantees and Co-acceptances have been updated upto 31.03.2024. A copy of the captioned Master Circular is attached as Annexure for information and compliance.
17	09.05.24	139/2024-25	CCO/CPD-ADV/17/2024 - 25	Fair Practices Code for Lenders - Charging of Interest	Reserve Bank's guidelines on Fair Practices Code for Lenders advocate fairness and transparency in charging of interest on loans & advances by the lenders, while providing adequate freedom to them regarding their loan pricing policy. RBI vide their notification dated 29.04.2024 has pointed out certain unfair practices adopted by Lenders in charging interest and other charges to customers.

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18	09.05.24	140/2024-25	R&DB/AGNYBKG-CTS/6/2024 - 25	REVIEW OF STANDARD OPERATING PROCEDURE(SOP) ON POSITIVE PAY SYSTEM (PPS) FOR CHEQUE PAYMENTS	Standard Operating Procedure (SOP) for implementation of PPS was issued vide e-Circular No. R&DB/AGNYBKG-RBI-I/9/2020-21 dated 30.12.2020. Now Standard Operating Procedure (SOP) on PPS has been reviewed and placed as Annexure-I to the Circular.
19	09.05.24	141/2024-25	NBG/PBU/PL-PENSION/6/2024 - 2	PERSONAL BANKING ADVANCES PENSION LOAN ADDITIONAL DUE DILIGENCE FOR NEW TO CREDIT (NTC) BORROWERS	As per our Extant norms Pension Loans are being offered to applicants having a CIBIL score of more than 658. Customers having CIBIL Score of -1, that are New to Credit (NTC) are also considered for extending Pension Loan. In this regard, additional due diligence needs to be exercised while sanctioning loans to NTC customers along with the prescribed due diligence.
20	09.05.24	142/2024-25	CDO/P&HRD-CM/12/2024 - 25	Summary of e-Circulars Issued- FY 2023-24 Human Resources Department	During the financial year 2023-24, various e-circulars containing instructions / modifications in HR matters were issued for information of operating functionaries and their compliance wherever necessary
21	09.05.24	143/2024-25	CCO/PPD-ADV/18/2024 - 25	MANDATORY REQUIREMENT FOR PROVIDING COMMENTS AND MITIGATIONS ON PENDENCY OF EDPMs/DPMS ENTRIES IN CREDIT APPRAISAL FORMAT	As per RBI's guidelines, all Importers and Exporters in India are required to match off and regularize their payments and collections with Customs generated documents (shipping bill, bill of entry etc) within stipulated timelines to ensure evidence of export and import vis-à-vis actual realization of export proceeds/payment of import bills. As part of credit underwriting and due diligence process, operating units are required to comment upon conduct of accounts and all risks aspects along with mitigations in the appraisal note.
22	10.05.24	144/2024-25	NBG/PBU/LIMA-SB/5/2024 - 25	INOPERATIVE CURRENT AND SAVINGS BANK ACCOUNTS REACTIVATION AT NON-HOME BRANCHES	Refer to the para no.12(xii) of e-Circular no- NBG/PBU/LIMA-SB/36/2023 - 24 dated 28.03.2024 regarding reactivation of Inoperative Accounts as under: "Inoperative Accounts can be activated at Non-Home branches after updating KYC details and ensuring due diligence." As the system developments for allowing reactivation of inoperative accounts is still under development, appended process is required to be adopted by the Non-Home branches for reactivation of Inoperative Accounts.

With revolutionary greetings,



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