



## March 2021 FEDAI NEWS LETTER

### R-Return: Monthly Reporting of Cards Transaction

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12046&Mode=0>

RBI has introduced FETERS – Cards return to collect more details, starting 1<sup>st</sup> April 2021, for international transactions using credit card / debit card / unified payment interface (UPI) along with their economic classification (merchant category code). Information is to be uploaded using the existing web-portal, in format advised for the purpose. AD Banks need to report all card transactions [e.g., through PoS terminals / e-commerce (online purchase) / for transferring funds to bank accounts] within seven working days from the last date of the month for which data are being reported.

### RBI notified Qualified Financial Contract & Financial Mkt. Participants

<http://egazette.nic.in/WriteReadData/2021/226001.pdf>

RBI has notified following contracts as Qualified Financial Contract under Bilateral Netting of Qualified Financial Contracts Act, 2020: -

- derivative** as defined under clause (a) of Section 45U of RBI Act, 1934 and
  - repo** and **reverse repo** as defined under clause (c) & (d) resp. of Sec 45U of the RBI Act - 1934.
- Further, following entities are notified as qualified financial market participants: -
- Entities licensed by RBI to do banking business, but not included in the second schedule to the RBI Act, 1934,
  - Export-Import Bank of India established under the Export-Import Bank of India Act, 1981,
  - National Bank for Agriculture and Rural Development established under the NABARD Act, 1981,
  - Small Industries Development Bank of India established under the SIDBI Act, 1989,
  - National Housing Bank established under the NHB Act, 1987,
  - Factor as defined in Section 2(i) of the Factoring Regulation Act, 2011 and
  - Asset Reconstruction Company as defined under section 2(1)(ba) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

### LEF – Deferment of applicability of limits on NCCD exposures

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12041&Mode=0>

RBI announced the extension of the deadline of 01 April 2021 for exempting non-centrally cleared derivatives (NCCDs) from the purview of Large Exposure Framework (LEF) exposure limits to 30<sup>th</sup> September, 2021. FEDAI had requested RBI for such extension awaiting clarity on certain issues.

### International Financial Service Centre Authority (IFSCA) Regulations

<https://pib.gov.in/PressReleasePage.aspx?PRID=1705254>

IFSCA has cleared following regulations in March 2021

- IFSCA (Market Infrastructure Institutions) Regulations, 2021 (MII Regulations)
- International Financial Services Centres Authority (Finance Company), Regulations, 2021
- International Financial Services Centres Authority (Banking) (Amendment), Regulations, 2021

### FTP 2015-20 further extended up to 30<sup>th</sup> September 2021

<https://content.dgft.gov.in/Website/dgftprod/f7b331a2-acc4-46cf-9cc4-a4853972900c/1%20Notification%20No%2060%20English.pdf>

The DGFT vide Notification No. 60/2015-20 dated 31 March, 2021 further extended duration of Foreign Trade Policy 2015-20 up to 30<sup>th</sup> September, 2021.

### ICC News

ICC Banking Commission after 3 years of concerted efforts, has formally adopted International Standards for Demand Guarantee Practices (ISDGP) document for URDG 758. The document represents best practices in relation to guarantees governed by URDG 758 including guarantees issued before the publication of ISDGP. It doesn't amend and should be read in conjunction with the URDG.

### FEDAI workshops & training activities

- **Forthcoming – 20<sup>th</sup> April 2021** - 1 Day Online Workshop on “Bank Guarantees and SBLC”
- **10<sup>th</sup> March 2021** - 1 Day Online Workshop on “Forex Retail Business”
- **17<sup>th</sup> March 2021** - 1 Day Online Workshop on “Countering Trade Based Money Laundering”

### Upcoming Market Events

- > RBI MPC Meeting 05-07<sup>th</sup> April' 2021
- > FOMC Meeting 27-28<sup>th</sup> April' 2021
- > ECB Monetary Policy Meeting 22<sup>nd</sup> April' 2021

### Market News

- > Government of India appointed 14 new Executive Directors in various PSU Banks. Name and banks are : Sh. Swarup Kumar Saha (PNB), Sh Debadatta Chand (BoB), Sh K. Satyanarayana Raju (Canara Bank), Sh Nitesh Ranjan (Union Bank), Ms. Monika Kalia, Sh. Swarup Dasgupta and Sh. M. Karthikeyan (Bank of India), Sh. Ishraq All Khan (UCO Bank), Sh. Vivek Wahi and Sh. Rajeev Puri (Central Bank of India), Ms. S. Srimathy (Indian Overseas Bank), Sh. B. Vijaykumar A. (Bank of Maharashtra), Sh. Raghavendra Venkatasheshan Kollegal (Punjab and Sind Bank) and Sh. Imran Amin Siddiqui (Indian Bank)
- > President has given assent to the National Bank for Financing Infrastructure and Development (NBFID) Act, 2021. NBFID will have both financial as well as developmental objectives. The proposed functions of NBFID are (i) advances for infrastructure projects (ii) refinancing for infrastructure loans (iii) attracting private sector investors and institutional investors for infrastructure projects (iv) encouraging foreign participation in infrastructure projects (v) facilitating negotiations with various government authorities for dispute resolution in the field of infrastructure financing and (vi) providing consultancy services in infrastructure financing.
- > Ministry of Commerce in consultation with Ministry of Ports, Shipping and Waterways and Federation of Indian Export Organisations (FIEO) chalked out a Four-point Plan to deal with the situation arising from the blockage of Suez Canal. The blockage was caused due to container ship Ever Given drifting and getting stuck in shallow mud which was finally cleared on 29 March 2021.
- > After reviewing the performance of IDBI Bank Limited, the Board for Financial Supervision (BFS) in its meeting held on February 18, 2021 decided to take IDBI Bank Limited out of the PCA framework, subject to certain conditions and continuous monitoring.
- > Government of India vide Gazette Notification dated 30 March 2021 notified aggregate investment of Rs. 14,500 Cr. in four PSU Banks through special non-interest-bearing securities. The allocation is as follows: CBI Rs. 4,800 Cr., IoB Rs. 4,100 Cr., BoI Rs. 3,000 Cr., and UCO Bank Rs. 2,600 Cr.

*With profound grief we inform that Sh R N Vadivelu, former Chief Executive of FEDAI (June'2008-Jan.2011) passed away at his home in Chennai on 22<sup>nd</sup> March 2021. Our prayers are with bereaved family during this difficult time.*

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**International Maritime Bureau (IMB)**



The International Maritime Bureau (IMB) is a specialised division of the ICC, Paris. It was established in 1981 to act as a focal point in the fight against all types of maritime crime and malpractice. The IMB has a MOU with the World Customs Organization (WCO) and has observer status with Interpol (ICPO).

IMB's main task is to protect the integrity of international trade. The information gathered during investigations and list of the threats explaining how to reduce risk to such threats is shared by IMB with its members. Maritime misconducts are complex and wide-ranging in nature, can cause heavy losses to international trade. The IMB provides an authentication service for trade finance documentation. It also investigates and reports on a number of other topics, notably documentary credit fraud, charter party fraud, cargo theft, ship deviation and ship finance fraud.

IMB also runs the Piracy Reporting Centre (IMB PRC) which was established in 1992 and offers a 24-hour free service for shipmasters to report any piracy, armed robbery or stowaway incidents. All information received is immediately relayed to the local law enforcement agencies for action and immediate broadcast to all vessels in region, providing vital intelligence and increasing awareness.

- :Stay healthy and stay safe: -