Jurisdiction: India

2014 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
I.	**Refining the regulatory perimeter**				
1 (1) (1)	Review of the boundaries of the regulatory framework including strengthening of oversight of shadow banking[1]	We will each review and adapt the boundaries of the regulatory framework to keep pace with developments in the financial system and promote good practices and consistent approaches at an international level. (London) We agree to strengthen the regulation and oversight of the shadow banking system.[2] (Cannes)	Jurisdictions should indicate the steps taken to expand the domestic regulatory framework to previously unregulated entities, for example, non-bank financial institutions (e.g. finance companies, mortgage insurance companies, credit hedge funds) and conduits/SIVs etc. Jurisdictions should indicate policy measures to strengthen the regulation and oversight of the shadow banking system. See, for reference, the recommendations discussed in section 2 of the October 2011 FSB report*: Shadow Banking: Strengthening Oversight and Regulation*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 18/07/2013 **Short description of the content of the legislation/ regulation/guideline:** To	**Planned actions (if any):** Regulatory: i. New regulatory framework for Non-Banking Financial Companies (NBFCs) is envisaged and will be issued shortly addressing the gaps in regulation. These regulations seek to tighten core capital, capital adequacy for NBFCs especially in riskier areas such as capital market and commercial real estate exposures, and where there is high concentration risk either in sectors lent or in terms of the collateral accepted; tighter asset classification and provisioning norms, greater disclosure, transparency and governance standards, besides others ii. New categories of NBFCs have been identified such as NBFC-Micro Finance Institutions (NBFC-MFI) and NBFC-Factors and regulatory framework placed on them, addressing the risks in their respective activities. iii. It is proposed that wealth management and other allied activities be hived off to subsidiaries to ring fence the

[1] Some authorities or market participants prefer to use other terms such as "market-based financing" instead of "shadow banking". The use of the term "shadow banking" is not intended to cast a pejorative tone on this system of credit intermediation. However, the FSB is using the term "shadow banking" as this is the most commonly employed and, in particular, has been used in the earlier G20 communications.

[2] This recommendation will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

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				review the boundaries of the regulatory framework, an Inter-departmental Regulations Review Committee was formed by SEBI to review gaps, to meet relevant global standards, deal with over regulation, repeal unnecessary regulations, update outdated regulations, simplify procedures, undertake assessment of overall costs to stakeholders, etc., for seeking legislative amendments to securities laws and regulations, etc. The RRC has held meetings and had discussed and reviewed various regulations. SEBI has taken various measures to protect the interests of investors in the securities market. For this purpose, SEBI has introduced the following regulations to regulate previously unregulated entities: SEBI (Alternative Investment Funds) Regulations, 2012 w.e.f. May 21, 2012. SEBI (Investment Advisers) Regulations, 2013 w.e.f. January 21, 2013 SEBI (Self Regulatory Organisations) Regulations, 2004 (Amendment) Regulations, 2013 with effect from January 7, 2013. Further, in order to protect the interests of investors from unregulated fraudulent schemes, SEBI has defined collective investment	NBFCs from the risks emanating from such activities. iv. Tighter monitoring of takeovers, merger and amalgamation put in place. v. Regulations on early recognition of distressed assets by NBFCs have been put in place, including reporting of such distressed assets to a centralised database, a corrective action plan and higher provisioning for such assets. vi. Restructuring guidelines have been put in place for NBFCs requiring greater provisioning for new loans restructured and phased increase in provisioning for the stock of loans that have been restructured. vii. The Bank proposes to obtain a basic return from smaller NBFCs that presently do not have a reporting mechanism in place. viii. An inter-regulatory body has been put in place called the Shadow Banking Implementation group with the task of identifying shadow banking entities, suggesting the proximate regulator and the regulations to be placed on them, identifying gaps in regulations, besides others. A sub-group on data related issues is also proposed to be formed. ix. A revised comprehensive supervisory

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				schemes in the Ordinance in 2013 (promulgated in 2014): Section 11 AA was inserted by the Securities Laws (Amendment) Ordinance, 2014 w.e.f. 18-07-2013. Consequently, SEBI can take action against any scheme (including fraudulent/ ponzi schemes unregistered with any authority) and having a corpus amount of one hundred crore rupees (approx. 16.67 million USD) or more. Although the Reserve Bank of India primarily regulates the shadow banking system, there may be entities involved in the chain of credit intermediation that are regulated by SEBI. In terms of recommendations of October 2011 FSB report, Shadow Banking: Strengthening Oversight and Regulation, in October 2012 IOSCO came out with report on Money Market Funds: Policy Recommendations For Money Market Funds. SEBI's regulations are broadly aligned with the IOSCO's recommendations. National Pension System (NPS) has been structured such that there is no propensity for any intermediary to undertake activities which can be deemed to fall into the ambit of “Shadow Banking’. **Highlight main developments since last**	framework is being put in place for NBFCs. **Expected commencement date:** **Web-links to relevant documents:** www.rbi.org.in

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				year's survey: Both Market Intelligence mechanism and inter-regulatory coordination at the regional level has been strengthened to prevent occurrences of fraudulent and unauthorised financial activities. **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/commondocs/mfundsnew_p.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1412152811369.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1321016963209.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1352976993463.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1337601524196.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1358779330956.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1357709058904.pdf	

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II.	**Hedge funds**				
2 (2)	Registration, appropriate disclosures and oversight of hedge funds	We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul) Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)	Jurisdictions should state whether Hedge Funds(HFs) are domiciled locally and, if available, indicate the size of the industry in terms of Assets Under Management (AUM) and number of HFs. Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)*. In particular, jurisdictions should specify whether: - HFs and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 21/05/2012 **Short description of the content of the legislation/ regulation/guideline:** SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations") were notified on May 21, 2012. Under the Regulations, hedge funds are required to register with SEBI under Category III	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				of the Regulations. Every investor in these funds is required to invest at least Rs. 1 crore (equivalent to roughly US $200,000). (Minimum investment is Rs. 25 lakhs for employees/directors, etc). The minimum size of such funds is required to be Rs. 20 crore. (equivalent to roughly USD 4 million) The Regulations also provide for conditions for registration, disclosures on an ongoing basis to investors, operational, prudential and reporting requirements to SEBI regarding leverage, risk management, etc. SEBI came out with a circular in 2013 for operational, prudential and reporting norms for AIFs. Under the circular, the maximum leverage that can be undertaken by a Category III AIF (which includes hedge funds) is two times its AUM. Further, the leverage has to be reported on a daily basis to the custodian of the AIF and on a monthly basis to SEBI. The circular also provides requirements for risk management to be followed by Category III AIFs (which include hedge funds) **Highlight main developments since last year's survey:** SEBI came out with a circular in 2013 for operational, prudential and reporting norms for AIFs.	

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				Under the circular, the maximum leverage that can be undertaken by a Category III AIF (which includes hedge funds) is two times its AUM. Further, the leverage has to be reported on a daily basis to the custodian of the AIF and on a monthly basis to SEBI. The circular also provides requirements for risk management to be followed by Category III AIFs (which include hedge funds) **Web-links to relevant documents:** SEBI AIF Regulations, 2012 www.sebi.gov.in/cms/sebi_data/attachdocs/1337601524196.pdf SEBI Circular for Operational, Prudential and Reporting Norms for AIFs - http://www.sebi.gov.in/cms/sebi_data/attachdocs/1375094611151.pdf	

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3 (3)	Establishment of international information sharing framework	We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)	Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)* on sharing information to facilitate the oversight of globally active fund managers. In addition, jurisdictions should state whether they are: - Signatory to the IOSCO MMoU - Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO *Principles Regarding Cross-border Supervisory Cooperation.* In particular, jurisdictions should indicate those jurisdictions where an MoU is in place that provides for oversight when a hedge fund is located in one of these jurisdictions and manager is located elsewhere.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 22/04/2003 **Short description of the content of the legislation/ regulation/guideline:** SEBI, being a signatory to the Multilateral Memorandum of Understanding (MMOU) of IOSCO and as a signatory to 19 bi-lateral Memorandum of Understanding (MOUs) with regulatory bodies of various jurisdictions, is	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				required to share information related to its intermediaries (including hedge funds), if the same is sought by the regulator in concerned jurisdiction. Further, SEBI and securities market regulators of 27 member States of the European Union ("EU") / European Economic Authority ("EEA") signed bilateral MOU concerning consultation, cooperation and the exchange of information related to the supervision of the Alternative Investment Fund Managers (AIFMs). The bilateral MoUs were signed on July 28, 2014. The MoUs were signed in pursuance of the EU Alternative Investment Fund Managers Directive (AIFMD) that was adopted by the European Council and Parliament in July 2011 which requires that adequate supervisory cooperation arrangements are put in place between EU and non-EU supervisory authorities including SEBI. " Further, it may be noted that the AIF Regulations in India registers the funds i.e. the AIFs and not the managers. (Obligations, however, are imposed on the managers of the specific AIFs through the Regulations). Any AIF incorporated in India irrespective of the jurisdiction of its manager is required to	

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				get registered under the Regulations and comply with various norms in the Regulations. Further, currently, the AIF Regulations do not register or regulate funds incorporated outside India. However, foreign venture capital investors proposing to invest in India need to register with SEBI under SEBI (Foreign Venture Capital Investor) Regulations, 2000. In cases of AIFs in India, having managers outside India, information sharing with the appropriate Regulator in the country in which manager is incorporated may be required. So far, none of the AIFs registered with SEBI have managers incorporated outside India and therefore, no specific action with respect to information sharing on AIFs (including hedge funds) is envisaged at the moment. **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

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4 (4) (4)	Enhancing counterparty risk management	Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London) Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008)	Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties. In particular, jurisdictions should indicate whether they have implemented the Basel III rules for credit exposures to highly leveraged counterparties (para 112 of *Basel III (Jun 2011)* – see also FAQ no 1b.4 on Basel III counterparty credit risk, Dec 2012) , and principle 2.iii of IOSCO *Report on Hedge Fund Oversight (Jun 2009)*. Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures *(Capital requirements for banks' equity investments in funds, Dec 2013)* by 1 January 2017. For further reference, see also the following documents : • BCBS *Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999)* • BCBS *Banks' Interactions with Highly Leveraged Institutions (Jan 1999)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 21/05/2012 **Short description of the content of the legislation/ regulation/guideline:** AIF Regulations provide that SEBI shall impose prudential requirements on the amount of leverage that can be undertaken by an AIF. SEBI has come out with a circular restricting the maximum leverage that can be undertaken by a Category III AIF (which	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				includes hedge funds) to two times the AUM. In view of the restrictions on the leverage, requirement of risk management and monitoring of fund's leverage by the specific counterparty does not seem to arise. Further, in India, hedge funds generally do their trades on the exchange and not OTC. Therefore, counterparty risk does not arise in such cases. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** www.sebi.gov.in/cms/sebi_data/attachdocs/1337601524196.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1375094611151.pdf	

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III.	**Securitisation**				
5 (5) (5)	Improving the risk management of securitisation	During 2010, supervisors and regulators will: • implement IOSCO's proposals to strengthen practices in securitisation markets. (FSB 2009) The BCBS and authorities should take forward work on improving incentives for risk management of securitisation, including considering due diligence and quantitative retention requirements by 2010. (London) Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)	Jurisdictions should indicate the progress made in implementing the recommendations contained in: • IOSCO's Unregulated Financial Markets and Products (Sep 2009), including justification for any exemptions to the IOSCO recommendations; and • BCBS's Basel 2.5 standards on exposures to securitisations (Jul 2009), http://www.bis.org/publ/bcbs157.pdf and http://www.bis.org/publ/bcbs158.pdf. *Jurisdictions may also indicate progress in implementing the recommendations of the IOSCO's Report on Global Developments in Securitisation Regulation (Nov 2012).*[3]	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: May 2012 (Banks) and August 2012 (NBFCs) **Short description of the content of the legislation/ regulation/guideline:** In the	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:** www.rbi.org.in

[3] Jurisdictions should not provide responses on IOSCO recommendations concerning the alignment incentives associated with securitisation (including risk retention requirements) since these will be covered by an IOSCO peer review in 2014.

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				Pension Sector, Investment in Rated ABS (Asset Backed Securities) is permitted with the conditions of having adequate due diligence applicable to debt securities. The investment in this category is made in instruments having an investment grade rating from at least one credit rating agency. Apart from rating by an agency, PFMs shall undertake their own due diligence for assessment of risks associated with the securities before investments. Further investment in derivative instruments including credit default swap instruments is permitted only for the purpose of portfolio rebalancing and hedging and in accordance with guidelines of RBI/PFRDA/SEBI. RBI is the primary regulator for securitisation market in India. RBI in May, 2012 has issued guidelines to Banks on transfer of assets through securitisation and direct assignment of cash flows. These Guidelines separately specify the requirements to be met by the originating Banks and the requirements to be met by Banks (other than originators) having securitisation exposures.. On August, 2012, RBI decided to extend these guidelines to	

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				NBFCs RBI's guidelines on securitisation transactions by banks are reasonably conservative. Further, minimum retention requirements and minimum holding period requirements have also been recently introduced. These features promote appropriate due diligence and also align the incentives of originators and investors. SEBI has laid down the framework for public offer and listing of securitized debt instruments through SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations, 2008 and laid down model listing agreement for Securitized Debt Instruments on March 16, 2011, specifying continuous disclosure requirements. SEBI has vide circular dated January 24, 2013 specified the Guidelines for providing dedicated Debt Segments on Stock Exchanges. Further for developing the Securitised Debt Instrument market and to improve transparency, SEBI vide circular dated January 07, 2014, has mandated that all trades in Securitised Debt Instruments (listed or unlisted) by Mutual Funds, Foreign Institutional Investors/sub-accounts/Qualified Foreign Investors/ Foreign Portfolio Investors, Alternative	

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				Investment Funds, Foreign Venture Capital Investors and Portfolio Managers shall be reported on the trade reporting platform of either of NSE, BSE or MCX-SX within fifteen minutes of the trade. Also, to provide transparency and efficient pricing of Securitised Debt Instruments, the reporting platforms of the exchanges will also have to provide continuous data pertaining to Securitised Debt Instruments, comprising of issuer name, ISIN number, face value, maturity date, current coupon, last price reported, last amount reported, last yield (annualized) reported, weighted average yield/ price, total amount reported and rating of SDI. Further, SEBI has mandated that all trades in Securitised Debt Instruments (listed or unlisted) done between specified entities, namely, Mutual Funds, Foreign Institutional Investors/sub-accounts/Qualified Foreign Investors/Foreign Portfolio Investors, Alternative Investment Funds, Foreign Venture Capital Investors and Portfolio Managers and RBI regulated entities, as specified by RBI, shall necessarily be cleared and settled through the National Securities Clearing Corporation Limited (NSCCL) or the Indian Clearing	

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				Corporation Limited (ICCL) or MCX-SX Clearing Corporation Limited (MCX-SX CCL). **Highlight main developments since last year's survey:** RBI has, vide its guidelines issued on July 1, 2013 (Banks) and March 24, 2014 (NBFCs), permitted reset of external form of credit enhancement subject to certain conditions like attainment of minimum amortization of the pool before reset, maintenance of the higher of the original or outstanding ratings of all tranches, demonstration of satisfactory pool performance, release of CE subject to a minimum/Reserve Floor and a maximum cap, prior consent of the trustees and investors. SEBI has vide circular dated January 24, 2013 specified the Guidelines for providing dedicated Debt Segments on Stock Exchanges. These dedicated debt segment shall also offer separate trading, clearing, settlement and reporting facilities in Securitised Debt Instruments (as defined in SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008). Also, to provide transparency and efficient pricing of Securitised Debt Instruments, the reporting platforms of the exchanges	

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				will also have to provide continuous data pertaining to Securitised Debt Instruments, comprising of issuer name, ISIN number, face value, maturity date, current coupon, last price reported, last amount reported, last yield (annualized) reported, weighted average yield/ price, total amount reported and rating of SDI. Exchanges will also have to provide on its website, offer document/continuous disclosures, if any, relating to the Securitised Debt Instruments traded and such other additional information pertaining to the trade/reporting. Further, SEBI has mandated that all trades in Securitised Debt Instruments (listed or unlisted) done between specified entities, namely, Mutual Funds, Foreign Institutional Investors/sub-accounts/Qualified Foreign Investors/Foreign Portfolio Investors, Alternative Investment Funds, Foreign Venture Capital Investors and Portfolio Managers and RBI regulated entities, as specified by RBI, shall necessarily be cleared and settled through the National Securities Clearing Corporation Limited (NSCCL) or the Indian Clearing Corporation Limited (ICCL) or MCX-SX Clearing Corporation Limited (MCX-SX	

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				CCL). **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/commondocs/sdireg_p.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1300794690530.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1359035278359.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1389090403466.pdf http://rbidocs.rbi.org.in/rdocs/content/pdfs/FIGUSE070512_I.pdf http://rbidocs.rbi.org.in/rdocs/content/pdfs/RGST210812_ANX.pdf http://rbidocs.rbi.org.in/rdocs/notification/PDFs/CIR24022014F.pdf http://rbi.org.in/scripts/NotificationUser.aspx?Id=8149&Mode=0 http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/FIGUSE070512.pdf http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/68628.pdf http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=7517&Mode=0 http://www.pfrda.org.in/writereaddata/linkimages/Circular%20on%20revised%20investment%20guidelines1.pdf	

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6 (6)	Strengthening of regulatory and capital framework for monolines	Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8 ,FSF 2008)	Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines. See, for reference, the following principles issued by IAIS: • ICP 13 – Reinsurance and Other Forms of Risk Transfer; • ICP 15 – Investments; and • ICP 17 - Capital Adequacy. Jurisdictions may also refer to: • IAIS Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008). • Joint Forum's consultative document on Mortgage insurance: market structure, underwriting cycle and policy implications (Feb 2013).	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** Presently the Regulatory framework provide for licensing of monoline insurance entities which include standalone Health Insurance Companies and Specialised Agriculture and Credit Guarantee Insurance Companies.	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				However, these are different from monocline companies of western countries which provide guarantees to issuers, often in the form of credit wraps that enhance the credit of the issuer. The IRDA has proposed amendment to the Insurance Law in order to permit the same. The regulatory and capital framework for the monoline insurers shall be laid down once the enabling provisions are in place. **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

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7 (7)	Strengthening of supervisory requirements or best practices for investment in structured products	Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18 ,FSF 2008)	Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance product. Jurisdictions may reference IOSCO's report on *Good Practices in Relation to Investment Managers´ Due Diligence When Investing in Structured Finance Instruments (Jul 2009).* Jurisdictions may also refer to the Joint Forum report on *Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: Have already come into effect for SEBI. **Short description of the content of the legislation/ regulation/guideline:** Banks are mandated to ensure that the various requirements on Minimum Retention Requirements (MRR) and Minimum Holding Period (MHP) are adhered to. Securitisation market activity is at a much	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				lower level compared to some other jurisdictions. Securitisation products are limited to simple structures with a predominance of higher rated products. Due to these reasons, no requirement is felt to issue specific guidelines to banks on the issue. Further, re-securitisation, synthetic securitisations and revolving structures are presently not allowed in Indian context. Further, detailed due diligence requirements are in place, in addition to MRR & MHP for securitisation market. The NBFC sector's exposure to Structured products is minimal. Pension Fund Managers (PFMs) are allowed to make investments in rated Asset Based Securities and IDFs provided the instrument has an investment grade rating from at least one rating agency and subject to due diligence by the PFM. India has specific guidelines for issue/sale of structured products to retail investors i.e. "Guidelines for Issue and listing of Structured Products Market Linked Debentures" dated September 28, 2011.The Circular, interalia, provides for eligibility criteria for issuer, minimum ticket size, disclosure requirements, appointment of third party valuation agency etc. In India, the issuer is	

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				required to make " a detailed scenario analysis/valuation matrix showing value of the security under different market conditions such as rising , stable and falling market conditions shall be disclosed in a table along with a suitable graphic representation". It is mandatory for the issuer to appoint a third party valuation agency which shall be credit rating agency registered with SEBI. There is a requirement for minimum ticket size of USD 20,000. Also there cannot be invitations for subscription shall be made for an amount of less than USD 20,000 in any issue. In terms of regulation 43(1) of SEBI (Mutual Fund) Regulations, mutual funds are allowed to invest in securitised debt instruments, which are either asset backed or mortgage backed securities. Further, mutual fund scheme are not allowed to invest more than 15% of its NAV in mortgaged backed securitised debt issued by a single issuer which are rated not below investment grade by a credit rating agency registered with SEBI. This limit may be extended to 20% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of asset management company.	

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				Further, specifically for Infrastructure Debt Fund Schemes, schemes may invest upto 30% of its NAV in securitised debt securities of any single infrastructure company. This limit may be extended to 50% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of asset management company. Extensive due diligence is carried out at all the levels i.e. Trustees carries out on the Board of Directors of Asset Management Companies, Board of Director carries out on the investment Managers' and Investment Managers' before taking investment decision. Specifically, for investment in securitised debt instrument the following parameters are looked into and the same is also disclosed in the Scheme Information Document (SID): i) Risk profile of securitized debt vis-à-vis risk appetite of the scheme ii) Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc. iii) Risk mitigation strategies for investments with each kind of	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				originator: a) Assessment by a Rating Agency b) Acceptance evaluation parameters (for pool loan and single loan securitization transactions) c) Critical Evaluation Parameters (for pool loan and single loan securitization transactions) d) Illustration of the framework that will be applied while evaluating investment decision relating to a pool securitization transaction. iv) The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments. v) Minimum retention period of the debt by originator prior to securitization and minimum retention percentage by originator of debts to be securitized. vi) The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund. vii) In general, the resources and mechanism of individual risk	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				assessment with the AMC for monitoring investment in securitized debt. The above parameters are in place since September 2010. **Suitability Requirements for Distribution:** **<u>Distributors of Mutual Fund products</u>** In order to regulate the distributors through AMCs a due diligence process has been put in place to be conducted by AMCs, is as follows: 1. The due diligence process would be applicable for distributors satisfying one or more of the following criteria: a) Multiple point presence (More than 20 locations). b) AUM raised over ` 100 Crore across industry in the non institutional category but including high networth individuals (HNIs) c) Commission received of over ` 1 Crore p.a. across industry d) Commission received of over ` 50 Lakh from a single Mutual Fund. 2. At the time of empanelling distributors and during the period i.e.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				review process, Mutual Funds/AMCs shall undertake a due diligence process to satisfy 'fit and proper' criteria that incorporate, amongst others, the following factors: a) Business model, experience and proficiency in the business. b) Record of regulatory / statutory levies, fines and penalties, legal suits, customer compensations made; causes for these and resultant corrective actions taken. c) Review of associates and subsidiaries on above factors. d) Organizational controls to ensure that the following processes are delinked from sales and relationship management processes and personnel: 3. In this respect, customer relationship and transactions shall be categorized as: a) Advisory – where a distributor represents to offer advice while distributing the product, it will be subject to the principle of 'appropriateness' of products to that customer category. Appropriateness is defined as	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				selling only that product categorization that is identified as best suited for investors within a defined upper ceiling of risk appetite. No exception shall be made. b) Execution Only – in case of transactions that are not booked as 'advisory', it require: • The distributor has information to believe that the transaction is not appropriate for the customer, a written communication be made to the investor regarding the unsuitability of the product. The communication shall have to be duly acknowledged and accepted by investor. • A customer confirmation to the effect that the transaction is 'execution only' notwithstanding the advice of in-appropriateness from that distributor be obtained prior to the execution of the transaction. • That on all such 'execution only' transactions, the customer is not required to pay the distributor anything other than the standard flat transaction charge, as	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				applicable. c) There is no third categorization of customer relationship / transaction. d) While selling Mutual Fund products of the distributors' group/affiliate/associates, the distributor is required to make disclosure to the customer regarding the conflict of interest arising from the distributor selling of such products. 4. Compliance and risk management functions of the distributor shall include review of defined management processes for: a) The criteria to be used in review of products and the periodicity of such review. b) The factors to be included in determining the risk appetite of the customer and the investment categorization and periodicity of such review. c) Review of transactions, exceptions identification, escalation and resolution process by internal audit.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				d) Recruitment, training, certification and performance review of all personnel engaged in this business. e) Customer on boarding and relationship management process, servicing standards, enquiry / grievance handling mechanism. f) Internal / external audit processes, their comments / observations as it relates to MF distribution business. g) Findings of ongoing review from sample survey of investors **Product Labeling in Mutual Funds** In order to address the issue of mis-selling and to provide investors an easy understanding of the kind of product/scheme they are investing in and its suitability to them, all the mutual funds are required to 'Label' their schemes on the parameters as mentioned under: a) Nature of scheme such as to create wealth or provide regular income in an indicative time horizon (short/ medium/ long term). b) A brief about the investment objective (in a single line sentence) followed by kind of	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				product in which investor is investing (Equity/Debt). c) Level of risk, depicted by colour code boxes as under: • Blue – principal at low risk • Yellow – principal at medium risk. • Brown – principal at high risk. The colour codes are required to described in text beside the colour code boxes. d) A disclaimer that investors should consult their financial advisers if they are not clear about the suitability of the product. Insurers are permitted to invest in Asset Backed Securities (ABS) with underlying housing loans and Infrastructure Assets as per the IRDA(Investment) Regulations, 2000. Regulations do provide exposure limits (10% of respective Fund in case of Life Insurers and 5% of General Insurers) in such investments. If any downgrade below AAA happens, the assets shall be classified as Other Investments. Regulations mandate Insurers to have Risk Management policy to govern the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				investments issues, Investment Committee to manage the investments. The compliance requirements along with the exposure norms shall be audited by concurrent Auditor which shall be reviewed by Audit Committee. Further, once in two years, Insurers have to undergo audit of investment risk management systems and processes. The compliance of the observations shall be commented by Concurrent Auditor in their periodical reports. Vide Circular dated 27th November, 2012, Insurers are permitted Invest in CDS as 'USER' to hedge credit risk. IRDA shall frame suitable risk management policy which shall cover the type of Assets, counter parties, valuation norms, stress testing, applicable margins, settlement of MTM, Systems and procedures, MIS etc. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/attachdocs/1317205112545.pdf http://www.sebi.gov.in/cms/sebi_data/commondocs/mfundsnew_p.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1314009686727.pdf http://www.sebi.gov.in/cms/sebi_data/atta	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				chdocs/1363665768253.pdf http://www.pfrda.org.in/writereaddata/linkimages/Circular%20on%20revised%20investment%20guidelines1.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
8 (8)	Enhanced disclosure of securitised products	Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)	Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products. See, for reference, IOSCO's *Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012)* and IOSCO's *Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010)*.	☑ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☐ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: March, 2011 **Short description of the content of the legislation/ regulation/guideline:** The Reserve Bank's disclosures requirements for securitisation transactions are quite comprehensive. The requirements include detailed information on the credit quality of the underlying loan/assets. Banks are	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** It is proposed that under the new regulatory framework, adequate and uniform disclosure across systemically important NBFCs of assets exceeding approx. Rs. 1000 crore on securitisation transaction, and bilateral sales be made both in the Regulatory Returns and in the Notes to Account. These regulations will be issued shortly. The disclosure entail details of the financial assets including NPAs sold and purchased. **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				required to disclose detailed information on various aspects like distribution of overdue loans, amount of tangible security available, rating wise distribution, default rates on similar portfolios, frequency distribution of LTV ratios in case of residential or commercial real estate loans. Information regarding retention and holding periods are also required to be disclosed. Reserve Bank has stipulated that there should be adequate disclosure made by the Originator in the Notes to Account which should include, inter alia, the outstanding amount of securitised assets as per the books of the SPV sponsored by the NBFC, total amount of exposure retained by the NBFC as on the date of the balance sheet. SEBI has laid down the framework for public offer and listing of securitized debt instruments through SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations, 2008. As per the said Regulation, no special purpose distinct entity or trustee thereof shall make an offer of securitised debt instruments to the public unless it files a draft offer document with SEBI at least 15 working days before the proposed opening of the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				issue. If SEBI specifies any changes to be made in the offer document, the special purpose distinct entity and trustee thereof shall carry out such changes in the draft offer document prior to filing it with the stock exchange. An offer document issued by a special purpose distinct entity or trustee thereof should contain all material information which is true, fair and adequate for an investor to make informed investment decision and should also disclose the matters specified in Schedule. Schedule to the said Regulations prescribes comprehensive disclosures pertaining to the issuer, originator, assets, pool details, credit enhancements etc. Further, SEBI has laid down model listing agreement for Securitized Debt Instruments on March 16, 2011, which specifies continuous listing requirements for Securitized debt securities. As per the Listing Agreement, special purpose distinct entity needs to furnish details, either by itself or through the servicer, on a monthly basis to the stock exchanges. Those details include details on pool snapshot, tranche snapshot, pool level details, yield, maturity & Loan -to-value (LTV) details on credit enhancement, waterfall	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				mechanism till maturity, future cash flows schedule till maturity, collection efficiency, report asset class, details of overdue loans, credit rating, loan level details etc. These details have to be submitted within 7 days from the end of the month/ actual payment date. Where periodicity of the receivables is not monthly, reporting has to be made for such relevant periods. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/commondocs/sdireg_p.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1300794690530.pdf http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/FIGUSE070512.pdf http://rbidocs.rbi.org.in/rdocs/notification/PDFs/95IIMF020712.pdf http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=7517&Mode=0	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IV.	**Enhancing supervision**				
9 (9)	Consistent, consolidated supervision and regulation of SIFIs	All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)	Jurisdictions should indicate the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.[4] See, for reference, the following documents: BCBS: • *Framework for G-SIBs (Nov 2011)* • *Framework for D-SIBs (Oct 2012)* • *BCP 12 (Sep 2012)* IAIS: • *Global Systemically Important Insurers: Policy Measures (Jul 2013)* • *ICP 23– Group wide supervision* FSB: • *Framework for addressing SIFIs (Nov 2011)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: In the Indian context Global operations of SIFIs are not very significant. LIC of India being the largest insurer has been identified as systemically important insurer (may not be globally) in the Indian insurance Industry. RBI has finalised its framework for dealing with domestic systemically important banks in July 2014. The framework can be accessed using the following link:	**Planned actions (if any):** Going forward, a mechanism to quantify (a) the risk arising out of subsidiary activities to the financial health of the parent and (b) the contribution of FC activities to financial stability is required to be addressed. **Expected commencement date:** **Web-links to relevant documents:**

[4] The scope of the follow-up to this recommendation will be revised once the monitoring framework on policy measures for G-SIFIs, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/IEPR155FDS0714.pdf **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** The initial FSB list of 2011 has been updated three times – the most recent being in November 2014. Annual lists of GSIBs (30 members as per latest update) published by FSB so far have not included any Indian entity. Further, no Indian entity is expected to meet the cut off threshold for classification as G-SIBs in the near future. 14 G-SIBs have operational presence in India in the form of branches. Large NBFCs (with an asset size of Rs. 10 billion and above) are classified as systemically important NBFCs and they are subject to more intensive supervision. The Reserve Bank of India (RBI) put in place a monitoring mechanism for banking groups in 2003 based on the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				consolidated financial position of the groups. In 2005, an oversight and monitoring mechanism for financial conglomerates (FCs) was introduced in coordination with the major regulators of the financial sector in existence then viz. the RBI, Securities and Exchange Board of India (SEBI) and Insurance Regulatory Development Authority (IRDA). The mechanism was strengthened during 2010-11 for large and complex banks with the creation of a Financial Conglomerates Monitoring Division (FCMD) in the Department of Banking Supervision (DBS) in RBI. The FCMD banks were required to submit details of their group structure, activities of subsidiaries, JVs and other group entities, details of the intra-group transactions, viz., fund-based, non-fund-based, revenue, etc., including a group risk profile to DBS. The FCMD banks are now subject to risk-based supervision and continue to submit the above information. In December 2010 the Financial Stability and Development Council (FSDC) was set up by Government of India (GOI) with a mandate for macro prudential supervision of the economy. The FSDC is chaired by the Union Finance Minister	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				and has representation from all financial sector regulators at the highest level. Keeping in view the need for further strengthening the supervisory process for FCs, in 2013 an Inter–Regulatory Forum (IRF) was set up under the aegis of a Sub-Committee of the FSDC (FSDC-SC, which is chaired by Governor, RBI). The IRF has high level representation from the four key financial sector regulators viz RBI, SEBI, IRDA and Pension Fund Regulatory Development Authority (PFRDA, which came into being in 2013) and is chaired by Deputy Governor, RBI. A joint MOU for forging cooperation in the field of supervision of FCs has been signed by the four regulators in March 2013. The IRF in its initial meetings reviewed the criteria for identification of FCs. Based on the revised criteria of 'significant presence' of a group in at least two of the four segments of the financial sector (banking, securities, insurance and pension funds), 12 FCs were identified by the IRF, of which five FCs were bank-led groups. For each FC, the 'principal regulator' and the 'designated entity' was also identified by the IRF. The IRF oversight mechanism for FCs involves; i) submission of	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				quarterly financial returns by the FC to the principal regulator, which include information on the group structure, activities of subsidiaries, JVs and other group entities, intra-group transactions and exposures viz. fund-based and non-fund-based, revenue, etc. and ii) periodic interface with the FC group by the four regulators, wherein issues of group wide relevance and concern are discussed. This mechanism is working well. The IRF has held six meetings so far (two among regulators and four with bank-led FC group). The work on methodology for assessing global systemically important non-bank, non-insurance financial institutions is under progress. The final paper is yet to be published. **Highlight main developments since last year's survey:** i. Supervisory process for the NBFC-Micro Finance Institutions (MFIs) has been worked out. ii. A revised supervisory manual for NBFCs has been prepared. iii. Revised supervisory rating has been drafted. **Web-links to relevant documents:** http://rbidocs.rbi.org.in/rdocs/Notification	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				/PDFs/BAICI020512IS.pdf http://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=30102	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
10 (10) (10)	Establishing supervisory colleges and conducting risk assessments	To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London) We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)	Reporting in this area should be undertaken solely by home jurisdictions of significant cross-border firms. Please indicate whether supervisory colleges for all significant cross-border firms (both banks and insurance companies) have been established and whether the supervisory colleges for G-SIFIs are conducting rigorous risk assessments. Principle 13 of BCBS Core Principles for Effective Banking Supervision and Good practice principles on supervisory colleges (Oct 2010) may be used as a guide for supervisor to indicate the implementation progress. For further reference, see the following documents: BCBS: • *Core Principles for Effective Banking Supervision (Sep 2012)* IAIS : • *ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges* • *Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges* IOSCO: • *Principles Regarding Cross-Border*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Setting up of Supervisory Colleges **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: December 2012 **Short description of the content of the legislation/ regulation/guideline:** To take forward the benefits of supervisory cooperation and leverage on the combined supervisory strength of Home and Host supervisors in overseeing bigger banks, the Reserve Bank has set up	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** There is no significant international presence of any insurance sector entity till now and therefore, a need for setting up supervisory college was not felt so far. However, it is observed that the Life Insurance Corporation of India (LIC) is gaining importance and has international presence. As such, a supervisory college is proposed to be established for monitoring LIC at a later date. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
			Supervisory Cooperation (May 2010)	Supervisory Colleges for State Bank of India and ICICI Bank Ltd, having bigger transnational presence. The first meeting of these Colleges was held at Mumbai in the month of December 2012 and was attended by 9 and 6 Home and Host Supervisors respectively. **Highlight main developments since last year's survey:** RBI has set up Supervisory Colleges for three more banks having large overseas presence viz Bank of India (BOI), Bank of Baroda (BOB) and Axis Bank in 2013 and 2014. As of date, RBI has set up a total of five Supervisory Colleges. Meetings of Supervisory Colleges of the two banks viz BOI, BOB were convened on February 3 and 4, 2014 respectively. The meeting of the Supervisory College of Axis Bank was convened on September 3, 2014. Additionally, a second meeting of the Supervisory College for ICICI Bank Ltd. was also convened on September 4, 2014. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
11 (11)	Supervisory exchange of information and coordination	To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)	Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the September 2012 BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: An Inter Regulatory Forum under the aegis of the Sub Committee of the FSDC has been set up. IRDA has notified the Regulations on Sharing of Information which includes such aspects as purposes for which information can be shared, pre-conditions to sharing of information and cross border cooperation. IRDA has become a signatory to IAIS, Multilateral Memorandum of Understanding (MMoU). The MMoU is a global framework for cooperation and information exchange between insurance supervisors. It sets minimum	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**
(11)		Enhance the effectiveness of core supervisory colleges. (FSB 2012)	Jurisdictions should describe any regulatory, supervisory or legislative changes that will contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				standards to which signatories must adhere, and all applicants are subject to review and approval by an independent team of IAIS members. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: August 2012 **Short description of the content of the legislation/ regulation/guideline:** i) In addition to the enhanced consolidated supervision for the 12 FCMD banks (as mentioned at point 9 above), for the five banking groups also identified as FCs, there is a system of periodic meetings with the CMD/MD of the bank group and the CEOs of the material entities of the group. The sectoral regulators earlier met under the then existing inter-regulatory forum i.e. the High Level Coordination Committee on Financial Markets (HLCCFM). However, upon the formation of the FSDC, an Inter-Regulatory Forum (IRF) under the aegis of FSDC Sub-Committee has subsumed the role of high level monitoring of the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				FCs. The IRF has been functioning as a regulators-only group wherein issues pertaining to non-bank entities are also discussed. ii) The domestic financial sector regulators (RBI, SEBI, IRDA and PFRDA) have signed a MoU in 2013 for co-operation in the field of consolidated supervision and monitoring of financial groups identified as FCs. iii) As stated earlier, a MoU for exchange of information with other domestic regulators have been signed. Supervisory as well as regulatory concerns arising out of the activities of FCs in their respective domains are shared by the regulators in the IRF meetings with the FCs. The FSAP (conducted by IMF and World Bank), in its report have attributed 'Fully Implemented' status to India against IOSCO Principles 13 - 15 (erstwhile11 - 13), which relate to Principles for cooperation. The FSAP report states that SEBI Act provides SEBI with the authority to cooperate and share public and non public information with domestic and foreign authorities, without limitations. SEBI is signatory of the IOSCO MMOU and several bilateral MOUs, and has demonstrated that in practice it cooperates effectively with	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				other foreign regulators. IRDA (Sharing of Confidential Information Concerning Domestic or Foreign Entity) Regulations, 2012 **Highlight main developments since last year's survey:** In May, 2013, the Insurance Regulatory and Development Authority (IRDA) has become a signatory to IAIS Multilateral Memorandum of Understanding (MMoU). The IAIS MMoU is a global framework for cooperation and information exchange between insurance supervisors. It sets minimum standards to which signatories must adhere, and all applicants are subject to review and approval by an independent team of IAIS members. To address the issue of un-authorised financial activity and unauthorised deposit collection, the State Level Coordination Committee, a forum of all financial sector regulators in the states has been strengthened with the Chief Secretary of the States now presiding over the meetings. The frequency of such meetings have also been enhanced to quarterly intervals. Besides, sub-committees have been formed to address specific issues. The progress of the State Level Coordination Committee is being	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				monitored by the Sub-Committee do the FSDC. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (12)	Strengthening resources and effective supervision	We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)	No information on this recommendation will be collected in the current IMN survey since a peer review is taking place in this area during 2014.		
(12)		Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)			
(12)		Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
V.	**Building and implementing macroprudential frameworks and tools**				
13 (13) (13)	Establishing regulatory framework for macro-prudential oversight	Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks[5] and private pools of capital to limit the build up of systemic risk. (London) Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)	Please describe major changes in the institutional arrangements for macroprudential policy that have taken place in the past two years, including changes in: i) mandates and objectives; ii) powers and instruments; iii) transparency and accountability arrangements; iv) composition and independence of the decision-making body; and v) mechanisms for domestic policy coordination and consistency. Please indicate whether an assessment has been conducted with respect to the powers to collect and share relevant information among different authorities – where this applies – on financial institutions, markets and instruments to assess the potential for systemic risk. Please indicate whether the assessment has indicated any gaps in the powers to collect information, and whether any follow-up actions have been taken.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Pension Fund Regulatory and Development Authority (PFRDA) is setting in place regulations/systems and procedures for addressing the issues of systemic risk that may arise in future viz through prudential investment norms, exposure norms, liquidity management, ALM, creation of entity profile & reporting requirement, corporate governance and disclosure	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

[5] The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				norms etc. The Forward Markets Commission, the commodity derivative markets regulator was brought under the administrative control of the Ministry of Finance in Sept, 2013. The Chairman of the Commission has been made a member of the FSDC in Dec, 2013. In order to strengthen the oversight capabilities of the Commission, a proposal for enhancing its infrastructural, financial and manpower capacity of the Commission is under consideration of the Government. The Commission is in consultation with other regulatory agencies to bring about synergy in the regulation of the commodity derivative markets with the various agencies in the commodity ecosystem.The exchanges have been directed to ensure that the accredited commodity warehouses are registered with the Warehousing Development and Regulatory Authority to ensure that minimum standards on storage practices and upkeep are met by the warehouses of the commodity exchanges. **Status of progress :** ☐ Draft in preparation, expected publication by:	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: MOU was signed in March 2013 **Short description of the content of the legislation/ regulation/guideline:** The Financial Stability and Development Council (FSDC) was set up in December 2010. The FSDC is chaired by the Union Finance Minister and its members include the heads of all financial sector regulators and representatives from the Ministry of Finance. It is the apex level forum entrusted with ensuring financial stability and financial sector development in the country. The FSDC is assisted by a Sub Committee, which is chaired by the Governor of the Reserve Bank. Other members of the Sub-Committee are the same as FSDC. Additionally, the Sub-Committee also has all the Deputy Governors of the Reserve Bank as its members. Among others, the FSDC is also mandated with macroprudential supervision including functioning of large financial conglomerates. Within the Reserve Bank, a Financial Stability Unit was set up in 2009 which is responsible for continuous macro prudential	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				surveillance of the financial system. The regulatory framework, as it evolved in India over the years, addresses the issue of systemic risk, through prudential capital requirements, exposure norms, liquidity management, asset liability management, creation of entity profile and reporting requirements, corporate governance and disclosure norms for both banks and systemically important non banking finance companies. The ultimate objective was that such interconnectedness should not result in transmission of risk to banks or the payment and settlement system. A Systemic Stability Unit (SSU) has been set up in SEBI to regularly monitor systemic vulnerabilities in the market and assess systemic risks, if any, emanating from securities market and offer co-ordinated assistance/ inputs from SEBI to Financial Sector Development Council (FSDC) in monitoring Systemic Risks in respect of Securities Market and monitoring of Systemically Important Financial Institutions under the jurisdiction of SEBI. Under the FSDC Sub Committee there exist an Early warning group, under the chairmanship of Deputy Governor, RBI, with all	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				regulators and Government as members. SEBI has also formed an internal team i.e. Early Warming Team (EWT) which will monitor the early warning signals in the securities markets as also to precipitate quick action in the event of crisis. SEBI is empowered to call for or furnish to any such agencies, as may be specified by the Board, such information as may be considered necessary by it for the efficient discharge of its functions. SEBI has entered into MoUs with a number of regulators for cooperation and exchange of information and is also one of the early signatories to IOSCO MMoU in exercise of said powers. The Pension Fund Regulatory and Development Authority Act 2013 was passed in September 2013 to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://finmin.nic.in/the_ministry/dept_eco _affairs/capital_market_div/Financial_sta	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				bility.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (14) (14)	Enhancing system-wide monitoring and the use of macro-prudential instruments	Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level…(Rec. 3.1, FSF 2009) We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes) Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)	Please describe at a high level (including by making reference to financial stability or other public reports, where available) the types of systems, methodologies and processes that have been put in place to identify macroprudential risks, including the analysis of risk transmission channels. Please indicate the use of macroprudential tools in the past two years, including the objective for their use and the process used to select, calibrate, and apply them. See, for reference, the CGFS document on *Operationalising the selection and application of macroprudential instruments (Dec 2012)*. Jurisdictions can also refer to the FSB-IMF-BIS progress report to the G20 on *Macroprudential policy tools and frameworks (Oct 2011)*, and the IMF staff papers on *Macroprudential policy, an organizing framework (Mar 2011)* and on *Key Aspects of Macroprudential policy (Jun 2013)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Systemic Stability unit (SSU) was set up in SEBI to assess systemic risks, if any, emanating from securities market and offer coordinated assistance/inputs from SEBI to FSDC in monitoring systemic risks in respect of Securities Market and monitoring of SIFIs under the jurisdiction of SEBI. With a view to establishing a body to institutionalise and strengthen the mechanism for maintaining financial stability, financial sector development and inter-regulatory coordination, the Government in consultation with the financial sector regulators has set up the	**Planned actions (if any):** Last year's planned action being completed by RBI. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				following framework • Financial Stability and Development Council (FSDC) is apex-level body constituted by Government of India, set up in 2010. • FSDC is assisted by a Sub-Committee, headed by the Governor, RBI. The Sub-committee has replaced the existing High Level Coordination Committee on Financial Markets. The Sub-Committee generally meets once in a quarter. • In order to provide focused attention to the broad areas of functioning of the FSDC and its Sub-Committee, the Sub-Committee had decided to form two Technical Groups under the FSDC-SC: (a) Inter Regulatory Technical Group (IRTG) with a remit to address issues related to risks to systemic Financial Stability & inter-regulatory coordination. (b) The Technical Group on Financial Inclusion and Financial Literacy. Further there is an Early Warning Group which is of the nature of Crisis Management Group which has been constituted to facilitate coordination between regulators including the Ministry of Finance in	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				order to monitor the early warning signals in the financial markets as also to precipitate quick action in the event of crisis. The impact of macro indicators on insurance sector are examined on periodic basis by Financial Stability Report, presently every half-year. In addition to the above, IRDA is also a member of Early Warning Group formed under the aegis of FSDC in which likely impact of Macro Economic factors on the financial sector is discussed. PFRDA is examining the various aspects of demographic transition, increasing pension liabilities and unfunded liabilities in pension sector and is in the process of devising a suitable system for providing universal old age income security to deal with these issues at the macro level. The Commodity exchanges and the members of the Commodity exchanges were brought under the purview of the Prevention of Money Laundering Act, in 2013 . The Forward Market Commission is engaged in consultation with other regulators for setting up a common	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				depository, asset aggregation facilities, and for evolving common Know Your Client norms, which will facilitate the identification and monitoring of the activities of the participants across the financial markets. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** The Reserve Bank has been traditionally using various kinds of macroprudential tools, more specifically the countercyclical tools without ever calling them so, to safeguard the banking sector from excessive credit exuberance in certain sensitive segments and reduce interconnectedness among banks. In this context, the monetary and countercyclical measures have always been complementary. During the period from 2004 to 2009, the monetary tightening and easing phase corresponds respectively to increase in sectoral capital	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				and provisioning requirements and easing of these requirements. During 2004-08, the Indian economy exhibited high real GDP growth of around 9 % resulting in sharp increase in asset prices and fuelling inflationary expectations. Consequently, the repo rate was increased in phases from 6 % in September 2004 to 9 % in August 2008. This period also saw an increase of 450 basis points in the cash reserve ratio, from 4.5 % in 2004 to 9 % in 2008. During the same time, risk weight on banks' exposure to commercial real estate was increased by up to 150 % in May 2006. Risk weight on exposure to other sensitive sectors, like capital market, retail housing loans also saw similar increases. The provisions for standard assets were also revised upwards progressively in November 2005, May 2006 and January 2007, in view of the continued high credit growth in the real estate sector, personal loans, credit cards receivables, loans and advances qualifying as capital market exposures and loans and advances to the NBFCs. The 2004-2008 upswing was followed by a slowdown, during which the Reserve Bank aggressively eased its monetary	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				policy and prudential norms were also relaxed. **Highlight main developments since last year's survey:** i) An Internal Working Group (IWG) on Implementation of Countercyclical Capital Buffer (CCCB) in India was formed and the draft report of the IWG was released in December 2013 for comments from public. ii) RBI hasfinalised its framework for dealing with domestic systemically important banks in July 2014. **Web-links to relevant documents:** http://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/IEPR155FDS0714.pdf http://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=30097	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
15 (15)	Improved cooperation between supervisors and central banks	Supervisors and central banks should improve cooperation and the exchange of information including in the assessment of financial stability risks. The exchange of information should be rapid during periods of market strain. (Rec. V.8 , FSF 2008)	Please describe the institutional framework through which information sharing between supervisors and the central bank takes place, e.g. through internal or inter-agency committee or bilateral MoUs. Please also describe any initiative to remove identified obstacles to enhance cooperation and information sharing.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: SEBI (SSU) provides inputs from the securities market related perspective for Financial Stability Report (FSR) published by Central Bank (RBI). The Financial Stability assessment is published in the Financial Stability Report with inputs from all sectoral regulators in financial market. The sectoral regulators also share information with RBI, as may be desired for monitoring of systemic risk though network analysis and information on Systemically Important Financial Institutions. The above mechanism of FSDC ensures that	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				policies and programmes having wider implication on the financial sector are discussed, decided and implemented in a coordinated manner. A joint MOU for forging cooperation in the field of supervision of Financial Conglomerates, has been signed by the Indian financial regulators (namely, RBI, SEBI, IRDA and PFRDA). The MOU was signed in March 2013. The MOU is a statement of intent by the Authorities to collaborate, co-operate, share information, coordinate on-site examinations, consult on matters of mutual supervisory /regulatory interests and to undertake assessment of systemic risk arising from the activities of Financial Conglomerates, as a part of the Financial Conglomerates monitoring framework. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** i) Reserve Bank, which is the central bank	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				of India, also serves as the regulator and supervisor of the banking sector, non-banking finance sector, certain sectors of the financial markets and the payment and settlement system. ii) An institutional forum for coordination between regulators/supervisors existed in India under the HLCCFM framework. This has been subsequently replaced by the Sub Committee of the FSDC. iii) The MOU with domestic regulators for exchange of information and meetings held with the respective designated financial conglomerates referred to in para 11(11) are relevant measures for enhanced co-operations amongst supervisors. iv) In addition, so far as exchange of supervisory information with international supervisors is concerned, 21 MOUs have been signed with overseas jurisdictions. One exchange of letter (EOL) has also been signed (total 22 as on October 15, 2014). Moreover, one MOU was signed on October 16, 2014. Active dialogue with 22 overseas jurisdictions is currently on. The MoU encompasses supervisory cooperation in areas like sharing of information, coordination during onsite inspections, role of supervisors during crisis	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				management, maintenance of confidentiality of shared information etc. v) Within the framework of the FSDC Sub-Committee, an Inter-Regulatory Forum (IRF) has been set up with representations from all financial sector regulators, that is dedicated for intensive monitoring of the large and complex financial institutions, which are more commonly referred to as financial conglomerates (FCs). vi) The Early Warning Group chaired by Deputy Governor, RBI (members from SEBI, IRDA, PFRDA and Ministry of Finance, GoI) had been set up under the FSDC mechanism. The meetings of the group are held as needed to deliberate on any likely market event/development, which may require a coordinated action from the regulators. Under the framework of the FSDC and its Sub Committee, various groups and committees have been instituted. These are, the Technical Group on Financial Inclusion and Financial Literacy (TGFI), Inter Regulatory Forum for Financial Conglomerates (IRF), Early Warning Group (EWG) and the Inter Regulatory Technical Group (IRTG). Of these, the first three are chaired by a Deputy Governor of the Reserve Bank	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				and the last is chaired by an Executive Director. These groups have representations from RBI, SEBI, IRDA, PFRDA and MoF. The Reserve Bank has been given the responsibility to provide the secretarial support to the Group. The basic objective of the Group is to provide an institutional arrangement for effective and regular coordination between the regulators of financial markets and institutions and the MoF for facilitating identification and assessment of early warning signals. **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI.	**Improving oversight of credit rating agencies (CRAs)**				
16 (16) (16) (16) (New)	Enhancing regulation and supervision of CRAs	All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London) National authorities will enforce compliance and require changes to a rating agency's practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process. CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process. The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London) Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009) We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)	Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document: • *Code of Conduct Fundamentals for Credit Rating Agencies (May 2008)* Jurisdictions may also refer to the following IOSCO documents: • Principle 22 of *Principles and Objectives of Securities Regulation (Jun 2010)* which calls for registration and oversight programs for CRAs • *Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003)* • *Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 07/07/1999 **Short description of the content of the legislation/ regulation/guideline:** The Securities and Exchange Board of India (SEBI) is primary regulator of CRAs. The Reserve Bank provides accreditation to CRAs for the limited purpose of their use	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				for regulatory purposes i.e. for bank loan rating to facilitate computation of capital charge under Standardised approach. The process of accreditation is quite elaborate and it assesses the quality of ratings assigned by CRAs in the past and their integrity and robustness of their systems and processes. Also, the Reserve Bank reviews the performance of the ratings assigned by these CRAs on an annual basis. Registration – SEBI has laid down a comprehensive procedure for registration of any entity desirous of undertaking the credit rating activities as defined in the SEBI (Credit Rating Agencies) Regulations, 1999. Supervision – SEBI (Credit Rating Agencies) Regulations, 1999 specify several mechanisms for supervising the functioning of the credit rating agencies which fall under the regulatory purview of SEBI. These are: Submission of information to the Board. SEBI right to undertake inspection or investigation of the books of account, records and documents of the credit rating agency. • Maintenance of Books of Accounts records, etc. • Appointment of Compliance Officer Enforcement action – In case of any violations of the rules,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				regulations, guidelines or directives issued by the regulatory body, the Board after consideration of inspection or investigation report is authorized to take appropriate action. Code of Conduct – A SEBI registered CRA is required to develop its own internal code of conduct for governing its internal operations and laying down its standards of appropriate conduct for its employees and officers in the carrying out of their duties within the credit rating agency and as a part of the industry. Such a code may extend to the maintenance of professional excellence and standards, integrity, confidentiality, objectivity, avoidance of conflict of interests, disclosure of shareholdings and interests, etc. Such a code shall also provide for procedures and guidelines in relation to the establishment and conduct of rating committees and duties of the officers and employees serving on such committees. Internal Audit – SEBI has directed that an internal audit of all SEBI registered CRAs should be conducted on a half yearly basis. The exercise has to be undertaken by Chartered Accountants, Company Secretaries or Cost and Management Accountants who are in practice and who do not have any conflict	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				of interest with the CRA. The audit should cover all aspects of CRA operations and procedures, including investor grievance redressal mechanism, compliance with the requirements stipulated by SEBI from time to time. Transparency & Disclosure – SEBI has issued guidelines wherein transparency and disclosure norms have been prescribed for the CRAs. As per the guidelines, CRAs have been directed to maintain proper records, inter alia, in respect of the rating processes, default studies, dealing with conflict of interest, income, etc. Standardised Rating symbols & definitions – CRAs registered with SEBI were using different rating symbols and definitions. For easy understanding of the rating symbols and their meanings by the investors and to achieve high standards of integrity and fairness in ratings, SEBI has standardized the rating symbols and definitions. SEBI is probably one of the first regulators in the world to come up with this investor friendly regulation. Compliance with IOSCO Code of Conduct – CRAs are required to disclose compliance with IOSCO Code of Conduct on their respective websites.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Highlight main developments since last year's survey: **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
17 (17)	Reducing the reliance on ratings	We also endorsed the FSB's principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul) Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008) We reaffirm our commitment to reduce authorities' and financial institutions' reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes) We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that	No information on this recommendation will be collected in the current IMN survey since the report of the second stage of the thematic peer review has been published recently [insert link whenever published].		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
(New)		would enhance transparency of and competition among credit rating agencies. (Los Cabos) We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VII.	**Enhancing and aligning accounting standards**				
18 (18)	Consistent application of high-quality accounting standards	Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)	Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are deemed to be equivalent to IFRSs as published by the IASB or are otherwise of a high and internationally acceptable quality, and provide accurate and relevant information on financial performance. They should also explain the system they have for enforcement of consistent application of those standards. Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles.aspx.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Revised accounting standards will depend on finalisation of international standards. **Status of progress :** ☑ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 01/04/2013 **Short description of the content of the legislation/ regulation/guideline:** India has made a commitment to converge to	**Planned actions (if any):** Revised roadmap on migration to IFRS under consideration. IRDA in order to review the accounting regulations, disclosure requirements and corporate governance guidelines has set up a Working Group (IRDA's Order dated 14/10/2014, link provided below). It has representation from Insurance Industry, Professional Bodies like Accountants, Company Secretaries, Government and Regulator. **Expected commencement date:** **Web-links to relevant documents:** www.fmc.gov.in https://www.irda.gov.in/ADMINCMS/cms/frmOrders_Layout.aspx?page=PageNo2345

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				IFRS. A roadmap in this regard was also drawn up by the Government of India which inter alia envisaged Indian banks to migrate to IFRS converged Indian Accounting Standards from April 1, 2013 onwards. However, due to domestic issues and delays in finalisation of IFRS 9 and reopening of previously finalised versions of IFRS 9, a revised roadmap for the migration to IFRS is under consideration. The accounting standards prevailing in India (Ind AS) largely apply to NBFCs almost in full measure. IASB had issued a revised Exposure Draft on Insurance Contracts in June 2013. IRDA had submitted its comments on the same on certain issues in October 2013. The final draft on Insurance Contracts is to be issued by the IASB. **Highlight main developments since last year's survey:** The Union Finance Minister highlighted the need to implement accounting standards based on IFRS in his Budget announcement for 2014-15, declaring that corporates (other than banks, insurance and non-banking finance companies) would mandatorily require to migrate to IFRS converged Indian Accounting Standards from April 1, 2016 onwards. In respect of banks and	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				non-banking finance companies (NBFCs), the RBI is in advanced stages of finalising a roadmap in light of the issuance of IFRS 9 by the IASB in July 2014. IRDA reviews the accounting guidelines for insurance industry from time to time and issues new guidelines/ modifications as per requirements. Presently the Accounting standards as issued by the ICAI and notified by the Government are followed. However, these standards are to be merged with the international standards and eventually IFRS convergence to be achieved. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
19 (19) (19)	Appropriate application of Fair Value Accounting	Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009) Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)	Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting. See, for reference, the following BCBS documents: • *Basel 2.5 standards on prudent valuation (Jul 2009)* • *Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** RBI's present guidelines on valuation of investment portfolio as contained in RBI's Master Circular – Prudential norms for Classification, Valuation and Operation of Investment Portfolio by Banks dated July 1, 2014 are asymmetric	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** Recently, IRDA has allowed Insurers to hedge interest rate risk on long term basis. The detail accounting norms for the same shall be prescribed during the current financial year. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				i.e. they require depreciation to be provided but do not provide for unrealised gains to be recognised in the profit and loss account. The ICAI is in the process of finalising an Indian Accounting Standard converged with IFRS 9. Indian Insurance Industry follows prudential valuation basis in valuing the assets and liabilities. Fair Value Accounting is followed only in respect of Real Estate Investment property, Equity securities, derivative instruments and Mutual fund. However, fair valued financial instruments which are accounted for under the heading "Fair Value Change Account" will not be considered for purpose of solvency calculation. Thus, prudential valuation measures are in place to dampen adverse dynamics potentially associated with fair accounting. After the final draft of IFRS 9 is released by the IASB, it will need to be looked after by the ICAI for convergence of the Indian Accounting Standards. **Highlight main developments since last year's survey:** The RBI has constituted a working group to look into matters pertaining to the implementation of IFRS converged IAS. This working group will	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				inter alia also look into fair value accounting. **Web-links to relevant documents:** http://rbi.org.in/scripts/BS_ViewMasCirculardetails.aspx?id=8183	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII.	**Enhancing risk management**				
20 (20) (20) (20) (20)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington) National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008) Regulators and supervisors in emerging markets[6] will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009) We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)	Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. In particular, please indicate the status of implementation of the following standards: • BCBS *Basel III: International framework for liquidity risk measurement, standards and monitoring (Dec 2010)* • BCBS *Principles for sound stress testing practices and supervision (May 2009)* Jurisdictions may also refer to FSB's *thematic peer review report on risk governance (Feb 2013)* and BCBS *Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: November 2012 (in respect of banking sector) **Short description of the content of the legislation/ regulation/guideline:** The	**Planned actions (if any):** Guidelines on NSFR will be issued once the same is finalised by the BCBS. **Expected commencement date:** **Web-links to relevant documents:**

[6] Only the emerging market jurisdictions that are members of the FSB may respond to this recommendation.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Reserve Bank has issued detailed guidance notes to banks in the areas of risk management systems, credit, market and operational risks, stress testing and liquidity risk etc which also covers foreign currency funding risks. **Highlight main developments since last year's survey:** RBI has introduced additional requirements of capital and provisioning for banks having credit exposure to borrowers having high amount of un-hedged foreign currency exposure. The Reserve Bank has issued revised guidelines on stress testing to banks on December 2, 2013 in tune with BCBS guidelines, after considering the stress experienced by banks in India in the recent past. It has issued Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards on June 9, 2014. **Web-links to relevant documents:** http://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=8694 http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8605&Mode=0 http://rbi.org.in/scripts/NotificationUser.aspx?Id=8934&Mode=0	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/CLRMB071112_F.pdf http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/78232.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (21)	Efforts to deal with impaired assets and raise additional capital	Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed. (Pittsburgh)	Jurisdictions should indicate steps taken to reduce impaired assets and encourage additional capital raising. For example, jurisdictions could include here the amount of new equity raised by banks operating in their jurisdictions during 2013. Jurisdictions may also refer to the relevant IMF Financial Soundness Indicators at http://fsi.imf.org/.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The norms prescribed by IRDA for the insurance sector for impairment to assets are similar to those prescribed by the RBI. The requirement of additional capital is based on the solvency margin requirement, which is the excess of assets over the liabilities. The ratio of required solvency margin to available solvency margin has been stipulated at 150%. IRDA does off site monitoring which includes the review of the rating downgrades, movement of NPAs etc. Case to case basis, the investment managers are called for review and proposed action plan, steps to be taken	**Planned actions (if any):** Some legislative changes to the SARFAESI Act has been recommended which will enhance the functioning of the ARCs in resolution of NPAs and their reconstruction; The shareholding pattern of the ARCs will also be relooked into to allow for greater control by sponsors and increase in FDI participation. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				for reduction of NPAs. **Status of progress :** ☑ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 01/04/2014 **Short description of the content of the legislation/ regulation/guideline:** The Indian banking system did not suffer from any direct consequence of the crisis. However, impaired assets of the Indian banking system have of late increased due to various reasons including global as well as domestic slowdown of the economy. The position is proactively monitored by the Reserve Bank and policy action as and when required is taken to further strengthen the credit risk management system in banks. i) The asset quality of banks is examined during the Annual Financial Inspection (AFI) conducted by the Reserve Bank and any additional provision requirement for impaired assets is adjusted with the capital of the banks along with other adjustments, if any. ii) The Reserve Bank has adopted policies on NPA and	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				restructuring of advances keeping in view prudence, viability and recoverability aspects. This may be inferred from the following measures that the Bank has tried to put in place to arrest the trend of NPAs and monitor the trend in restructuring of advances. ii) Banks have been advised to put in place a robust mechanism for early detection of signs of distress, and measures, including prompt restructuring in the case of all viable accounts wherever required, with a view to preserving the economic value of such accounts; and to mandate banks to have proper system generated segment-wise data on their NPA accounts, write-offs, compromise settlements, recovery and restructured accounts. iii) The Reserve Bank has been sensitizing Nominee Directors on the Boards of banks and in its regular interactions with the Chairmen of banks to tighten up compliance with Income Recognition and Asset Classification (IRAC) norms and constantly monitor the quality of their credit portfolios to identify incipient sickness and initiate timely remedial actions. iv) Public sector banks were advised on November 30, 2012 that they should take adequate steps to strengthen	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				their risk management systems, credit appraisal and sanction process, post sanction monitoring and follow-up and, have a robust MIS mechanism for early detection of incipient weaknesses/distress and for taking steps for remedial measures and recovery of bank's dues. It has been also advised that the restructuring of advances is undertaken in a transparent and objective manner and in conformity with the regulatory guidelines. **Highlight main developments since last year's survey:** i) A framework for revitalising Distressed Assets in the Economy – Guidelines on Joint Lenders' Forum (JLF) and Corrective Action Plan (CAP) w.e.f April 1, 2014 has been laid out and DBS is in the process of examining the individual banks' progress in implementing the oversight process laid out in the framework. ii) In addition, a data repository of large credits (Rupees 50 million and above), "Central Repository of Information on Large Credits (CRILC)" revising the previous reporting on large borrowers has been introduced effective from September 2013 and made fully operational from April 1, 2014 onwards. The overarching	

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				objective of CRILC is to enable banks to take informed credit decisions and early recognition of asset quality problems by reducing information asymmetry. Besides capturing exposure details, the CRILC system has a framework for banks to report SMA-2 accounts, i.e. accounts for which Principal or interest payment is overdue between 61-90 days. The framework will act as an advance indicator of the possible erosion in health of the underlying accounts as also ensure standardization in terms of classification of the same account across banks. Access to CRILC database including SMA2 reporting have been provided to banks with defined access controls. iii) The framework also prescribed dis-incentives to banks and borrowers for non-adherence in the form of accelerated provisioning. IRDA issued “Issuance of Capital by General Insurance Companies Regulations 2013” during the last year. These regulations are similar to the Issuance of Capital by Life Insurance Companies. These Regulations prescribed the procedures to be followed by General Insurance companies for public issue or sale of shares. Asset Reconstruction Companies - The	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				regulatory framework for Asset Reconstruction companies have been relooked into with a view to promote sale of non-performing assets and cleaning the balancesheets of the banks. ARCs have been strengthened. Regulations have addressed issues on more skin in the game for ARCs by increasing the minimum amount of Security Receipts they will need to invest in, rationalising the valuation of Security Receipts by linking them to the NAV of the SRs rather than the outstaning volume of SRs; ARCs have been allowed to be members in the Joint Lenders Forum in cases of consortium lending in order to initiate a corrective action plan; appropriate time has been given to ARCs to conduct due dilligence and bvaluation of the assets to be acquired; and the planning period for reconstruction of assets have been sjhortened. Besides, ARCs have also been allowed to opurchase distressed assets even before they turn into non-performing ones. **Web-links to relevant documents:** http://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=30519	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
22 (22) (New)	Enhanced risk disclosures by financial institutions	Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington) We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)	Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on *Enhancing the Risk Disclosures of Banks* and *Implementation Progress Report by the EDTF (Aug 2013)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Certain public disclosure requirements have been laid down in Clause 4.12 of Investment Management Agreement (IMA) and Clause 11, 14 & 16 of PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines- 2012. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: July 2013 by RBI.Investment in	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				financial instrument and risk arising and management (IFRS 7): The requirement for disclosure in this regard is already in place in terms of SEBI (Mutual Fund) Regulations, 1996. Fair Value Measurement (IFRS13): Fair Value Principles were made effective by amending SEBI (Mutual Fund) Regulations, 1996, in February 2012 **Short description of the content of the legislation/ regulation/guideline:** In terms of SEBI (Mutual Fund) Regulations, 1996, and master circular no. CIR/IMD/DF/18/2014, dated October 01, 2014, disclosures are made in the Scheme Information Document (SID) relating to the financial instruments in which schemes invests. Risk associated with such instruments and risk mitigation measures are also disclosed in SID. (IFRS 7) In terms of Eighth Schedule of SEBI (Mutual Fund) Regulations, 1996, the valuation of investments of the schemes is done by applying fair value principles. (IFRS 13) Requirements for risk disclosures have also been specified for Alternative Investment Funds, Portfolio Managers and Investment Advisers under their respective Regulations. Disclosure requirements in India are quite stringent. Banks are required to disclose details on asset quality, liquidity profile, capital,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				investment, etc. The Forward Market Commission has directed the exchanges for enhanced disclosure of information to the boards of the exchange, including inter-alia constituting risk management committees which will be responsible for identification, measurement and monitoring the risk profile of the exchange. The Forward Market Commission has also requested SEBI to consider mandating listed companies to disclose their commodity price risks and also disclose their commodity hedging activities, in their Annual Reports, which is likely to make the market more aware of companies' hedging activities and would hopefully encourage the companies to adopt appropriate risk management strategies to hedge their risks arising out of commodity prices volatility. The exchanges have been directed to share the details of defaulting members, if any, in their exchange with other exchanges in order to improve transparency and risk disclosure in the commodity derivative market. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/co	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				mmondocs/mfundsnew_p.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1412152811369.pdf http://rbidocs.rbi.org.in/rdocs/notification/PDFs/41MD010712SF.pdf http://pfrda.org.in/writereaddata/linkimages/Accounting%20Norms6216184768.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IX.	**Strengthening deposit insurance**				
23 (23)	Strengthening of national deposit insurance arrangements	National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)	Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the following recommendations of the FSB's February 2012 *thematic peer review report on deposit insurance systems:* • Adoption of an explicit deposit insurance system (for those who do not have one) • Full implementation of the *Core Principles for Effective Deposit Insurance Systems* jointly issued by BCBS and IADI in June 2009 (by addressing the weaknesses and gaps identified in peer review)	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: A Working Group on Reforms in Deposit Insurance gave its suggestions on various issues aimed at improving the effectiveness of deposit insurance system in India. The recommendations of the Group have been forwarded to Government of India for consideration. The suggestions take into account the recommendations of FSB thematic peer review report on deposit insurance systems. The Report of the Working Group on Resolution Regime for Financial Institutions released for public comments on May 2, 2014 also stressed the need for reforms in deposit insurance system in India to bring them	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				on par with international benchmarks and suggested that such reforms may be initiated along with setting up of a resolution framework in India. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
X.	**Safeguarding the integrity and efficiency of financial markets**				
24 (24)	Enhancing market integrity and efficiency	We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)	Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets. Jurisdictions should indicate the progress made in implementing the recommendation in the following IOSCO reports in their regulatory framework: • *Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011)*; and • *Report on Principles for Dark Liquidity (May 2011)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☐ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The recommendations put forward by IOSCO in its report on 'Regulatory issues raised by the impact on technological changes in market integrity and efficiency' dated October 2011 were taken into account while issuing guidelines for Stock Exchanges and Stock Brokers on 'algorithmic trading' in March 2012. I) Further to that ,SEBI vide circular dated December 13, 2012 mandated pre trade risk controls such as: 1) Any order with value exceeding Rs. 10 crore per order shall not be accepted by the stock exchange for execution in the normal	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				market. 2) Stock exchange need to ensure that stock brokers put-in place a mechanism to limit the cumulative value of all unexecuted orders placed from their terminals to below a threshold limit set by the stock brokers. 3) Stock exchanges need to ensure that the stock brokers are mandatorily put in risk-reduction mode when 90% of the stock broker's collateral available for adjustment against margins gets utilized on account of trades that fall under a margin system. Such risk reduction mode shall include the following: (a) All unexecuted orders shall be cancelled once stock broker breaches 90% collateral utilization level. (b) Only orders with Immediate or Cancel attribute shall be permitted in this mode. (c) All new orders shall be checked for sufficiency of margins. (d) Non-margined orders shall not be accepted from the stock broker in risk reduction mode. (e) The stock broker shall be moved back to the normal risk management mode as and when the collateral of the stock broker is lower than 90% utilization level. II) SEBI vide circular dated December 19, 2012 has realigned realign the BMC requirements with the risk profiles of the stock brokers / trading members in	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				cash / derivative segment of the stock exchange. III) SEBI vide circular dated February 14, 2013 introduced periodic call auction for illiquid scrips in the equity market. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: March 30, 2012 **Short description of the content of the legislation/ regulation/guideline:** In the recent past SEBI has taken following measures in consultation with the stock exchanges : SEBI has advised the Exchanges to put a penalty of Rs. 10,000 on brokers who execute trades on behalf of clients without uploading UCC and PAN details of such clients. Companies are required to make disclosures in respect of price sensitive information to stock exchanges particularly flowing from SEBI (Prohibition of Insider Trading) Regulations, and Listing agreement. SEBI advised the exchanges to put in place a secure mode of filing of information so that the authenticity of the source of the information is ascertained	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				by the exchanges before disseminating the same. In order to discharge their surveillance responsibilities effectively, SEBI has reviewed and strengthened the Surveillance Committee of the stock exchanges. SEBI has mandated all Exchanges to disseminate for each derivative stock, the combined open position of group of connected entities, on the respective Exchange website, twice a month without disclosing the individual names. The criteria for determining connected entities and methodology for dissemination of combined positions have also been prescribed by SEBI. In order to arrest any further misconduct in the market by trading entities, it was decided that the exchanges shall issue observation letter/caution letter to such entities whose behaviour is found to be aberrant and prima facie does not appear to be in conformity with the extant securities law governing the securities market. SEBI advised the exchanges to put in place systems to prevent leakage of information. As a surveillance measure the exchanges were advised to apply price bands on stocks which do not have derivative products available on them but are forming part of the index on which derivative products are available, in case	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				such stock witness sharp intraday movements. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sebi.gov.in/cms/sebi_data/attachdocs/1355406529538.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1355915021615.pdf http://www.sebi.gov.in/cms/sebi_data/attachdocs/1360851620748.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
25 (25) (New)	Regulation and supervision of commodity markets	We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes) We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO's principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)	Jurisdictions should indicate whether commodity markets of any type exist in their national markets. Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO's report on *Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011)*. Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the *report* published by the IOSCO's Committee on Commodity Futures Markets based on a survey conducted amongst its members in April 2012 on regulation in commodity derivatives market.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☑ Draft in preparation, expected publication by: December 2014. ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** 1. The Forward Market Commission directed the exchanges in Jan, 2014 that they may exempt the market participants, who have deposited certified goods against all the relevant futures contracts sold and earmarked for	**Planned actions (if any):** The Forward Market Commission has constituted a Risk Management Group to review and advise on risk management measures in the commodity derivative markets including interalia on ex-ante open position limits. The group has recommended that in the case of non-agricultural commodities where price discovery takes place in international markets, the concept of far month and near month may not apply. In the case of agricultural commodities, the group has made several recommendations such as the open position limit may be computed on net basis for near month contracts and also on net basis for far month contracts. In calculating open interest, commodities deposited in accredited warehouse of exchange and earmarked for delivery as early pay in against sale position in the specific commodity contract may be excluded. The hedgers may be allowed larger position limits than as applicable to clients provided sufficient documentary evidence are collected and monitored by the exchanges. The Group has also recommended that the position of top ten trading clients in order of maximum open interest should be displayed on the website of the exchange. The position of top ten members with names as per

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				delivery, to the Exchange accredited warehouse, from paying initial, additional and special margins. Such participants will continue to remain exempted from payment of delivery margins. However, the Exchange shall continue to collect mark to market margins from such market participants. 2.The Commission has decided in Dec 2013 that spread margin benefits would be permitted only in : i) Different month contracts of the same underlying commodity. ii) Two contract variants having the same underlying commodity. **Web-links to relevant documents:** www.fmc.gov.in	settlement obligation shall be displayed on their website of the exchange after ten days of the completion of settlement. The draft recommendations were posted on the website of the Forward Markets Commission, the regulator for commodity derivative markets on 13th March, 2014 for public comments. The comments have since been received and are being examined. **Expected commencement date:** December, 2014 **Web-links to relevant documents:** www.fmc.gov.in

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
26 (New)	Reform of financial benchmarks	We support the establishment of the FSB's Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO's Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)	Collection of information on this recommendation will be deferred to the 2015 IMN survey given the ongoing policy work in this area, the reviews of interest rate and foreign exchange benchmarks during 2014, and the recent publication of IOSCO's Principles for Financial Benchmarks.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
XI.	**Enhancing financial consumer protection**				
27 (27)	Enhancing financial consumer protection	We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)	Jurisdictions should describe progress toward implementation of the OECD's *G-20 high-level principles on financial consumer protection (Oct 2011)*. Jurisdictions may also refer to OECD's update report including the Annex to the report *on effective approaches to support the implementation of the High-level Principles* based around the following three priority principles: • *Disclosure and transparency* • *Responsible business conduct of financial services providers and their authorised agents* • *Complaints handling and redress*	☑ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☐ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 03/02/2009 for RBI (Banking sector regulator) and 31/03/2014 for SEBI (Securities Market Regulator) **Short description of the content of the legislation/ regulation/guideline:** As a measure of customer protection the RBI has put in place a strong grievances redressal mechanism through the Banking Ombudsman Scheme. The Scheme is in	**Planned actions (if any):** The 5 year Action plan for National Strategy on Financial Education is proposed to be implemented through National Centre for financial Education (NCFE), to be formed initially under National Institute of Securities Markets (NISM), the educational arm of SEBI. NCFE has a dedicated website with URL http://www.ncfeindia.org/. The Forward Market Commission proposes to develop the online grievance redressal system to enable clients to track the status of their complaints. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				operation in 15 centres covering 30 States and 7 Union Territories in India. The Banking Codes and Standards Board of India (BCSBI) is an autonomous body set up by the Reserve Bank of India which sets out minimum standards for banking services in India for individuals and Micro and Small Enterprises. Within the Reserve Bank, a Customer Service Department has been set up PFRDA has a centralised grievance Redressal mechanism in place to deal with consumer grievances in NPS system in a time bound manner. IRDA (Protection of Policyholders Interests) Regulations, 2002 require insurance companies to have in place, effective and speedy grievance redress mechanisms. IRDA has issued Guidelines for Grievance Redressal, which lay down specific timeframes and turnaround times (TATs) for response, resolution etc., which will further strengthen the redressal systems insurers already have in place. To enable this as well as create a central repository of industry-wide insurance grievance data, IRDA has implemented the Integrated Grievance Management System (IGMS). There is an Insurance Ombudsman scheme created by Government of India for individual policyholders to have their complaints settled out of the courts	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				system in a cost-effective, efficient and impartial way. There are 12 Insurance Ombudsman in different locations and a policyholder can approach the one having jurisdiction over the location of the insurance company office that he/she have a complaint against. IRDA is working with Central Government for modification of Redressal of Public Grievance Rules, 1998 to further strengthen the institution of insurance Ombudsman created by Government of India with the purpose of quick disposal of the grievance of the insured customers. SEBI Act, 1992 provides for imposition of monetary penalty for non-redressal of investor grievances. All intermediaries registered with SEBI are mandated by relevant regulations, code of conduct to have a complaint redress mechanism including the timelines for redressal of complaints. SEBI displays on its website names of the companies against whom enforcement orders are passed for non-redressal of investor grievances. SEBI through amendment in January	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				2014 to the Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations 2009, has provided that the amount disgorged by SEBI on account of violation of Securities Law will be credited to SEBI Investor Protection and Education Fund (IPEF). Such disgorged amount credited to SEBI Investor Protection and Education Fund will be utilized for restitution of eligible and identifiable investors who have suffered losses resulting from violation of Securities Law. Further, the disgorged monies left in the SEBI-IPEF after earmarking the amount for the process of restitution to eligible and identifiable investors will be utilised for other purposes of investors welfare including investor education and awareness. Progress to date including last FY: 1. Complaint redress system in Securities Market SEBI has put in effect a centralized, web based grievance redress system i.e, SCORES (SEBI Complaints Redress System). The URL of the same is (http://scores.gov.in). SCORES enables investors to lodge and follow up their	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				complaints and track the status of redressal of such complaints online from the above website. Investor not familiar or doesn't have access to SCORES, can lodge complaint in physical form at any of the SEBI offices. Such complaints are scanned and uploaded in SCORES for processing. Further, Ministry of Finance /Centralized Public Grievance and Redress Monitoring System (CPGRAMS) of Government of India has links with SCORES, and complaints lodged on Government of India portals are seamlessly transferred to SCORES. If the progress of the redessal of investor grievances by an entity is not satisfactory, appropriate enforcement actions (including adjudication, direction, prosecution etc) are initiated against such defaulting entities. Such details are made available on SEBI website. All Self regulated organizations like Stock Exchanges, Depositories have been mandated to have independent Arbitration mechanism. If the grievance is not resolved by the Stock Exchange/Depository due to disputes, an investor can file arbitration subject to the Bye-laws, Rules and Regulations of the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Exchange / Depository. 2. Investor Education and Awareness activities: SEBI has carried various educational and awareness activities, as part of below heads during last FY: a) Dedicated investor Website - http://investor.sebi.gov.in b) Workshops / seminars aiming at investor education, conducted by SEBI and through Stock Exchanges and Depositories or various bodies like Association of Mutual Funds of India (AMFI). c) Financial education workshops through SEBI empanelled Resource Persons on pan India Level d) Visit to SEBI – school, college and professional students e) Toll free helpline for assistance to investors, and information with respect to securitites market f) Mass Media Campaign involving awareness activities in form of broadcast / publication of advertisement on relevant topics	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				of investor awareness, through popular media vehicles viz, TV, Radio and Newspapers. So far various media campaigning aiming to create awareness above relevant issues have been undertaken viz, Investor Grievance Redress Mechanism, Collective Investment Schemes. g) Implementations of National Strategy on Financial Education: Regulators (including SEBI), Central and State governments, financial market players, professional institutes, NGOs, Educational boards and institutions etc are the stakeholders to implement the National Strategy on Financial Education. The 5 year Action plan for National Strategy on Financial Education is proposed to be implemented through National Centre for financial Education (NCFE), to be formed initially under National Institute of Securities Markets (NISM), the educational arm of SEBI. NCFE has a dedicated website with URL http://www.ncfeindia.org/. The Reserve Bank's Master Circular on	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Customer Service in Banks provides detailed guidance to banks on the issues of Customer service For enhancing consumer protection in the activities related to the commodity derivatives markets, the Forward Market Commission has set up an on-line grievances complaint filing system. The client should first refer the complaint to the concerned Exchange. In case client's complaint is not addressed by the Exchange, the complaints can be registered with the Forward Market Commission. The complaints received through on-line as well as through off-line mode are taken up with the respective commodity derivative exchange for redressal and are monitored through periodic reports. If the complaint is redressed satisfactorily through conciliation or arbitration, the client is informed accordingly. The Forward Market Commission has also directed the Exchanges to inform the client about the trades executed on his account through SMS and e-mail facility with a view to keep a check on unauthorised trades. The members are also required to settle the accounts of the clients every quarter. An Investor Protection Fund has also been set up by	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				the Exchanges for protecting the interest of small/retail clients against fraudulent activities of members. The Forward Market Commission has also stipulated additional obligations on members for protecting consumers against unfair terms in contracts, requirement of fair disclosure, protecting personal information and confidentiality, dealing with conflict of interest etc vide its directives dated 28th March, 2014. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** www.sebi.gov.in http://www.scores.gov.in/ http://investor.sebi.gov.in/ http://www.ncfeindia.org/ http://rbi.org.in/Scripts/NotificationUser.aspx?Mode=0&Id=7363 http://rbi.org.in/commonman/English/Scripts/AgainstBank.aspx http://www.bcsbi.org.in/Pdf/CBCC2014.pdf www.fmc.gov.in	

XII. Source of recommendations:

St Petersburg: The G20 Leaders' Declaration (5-6 September 2013)

Los Cabos: The G20 Leaders' Declaration (18-19 June 2012)

Cannes: The Cannes Summit Final Declaration (3-4 November 2011)

Seoul: The Seoul Summit Document (11-12 November 2010)

Toronto: The G-20 Toronto Summit Declaration (26-27 June 2010)

Pittsburgh: Leaders' Statement at the Pittsburgh Summit (25 September 2009)

London: The London Summit Declaration on Strengthening the Financial System (2 April 2009)

Washington: The Washington Summit Action Plan to Implement Principles for Reform (15 November 2008)

FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience (7 April 2008)

FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System (2 April 2009)

FSB 2009: The FSB Report on Improving Financial Regulation (25 September 2009)

FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision (1 November 2012)

XIII. List of Abbreviations used:

AFI : Annual Financial Inspection
AIF: Alternative Investment Funds
AMC: Asset Management Company
AMFI: Association of Mutual Funds of India
AUM: Asset Under Management
BCSBI: Banking Codes and Standards Board of India
BMC: Base Minimum Capital
BSE: Bombay Stock Exchange
CAP: Corrective Action Plan
CIS: Collective Investment Schemes
CPGRAMS: Centralized Public Grievance and Redress Monitoring System CRILC: Central Repository of Information on Large Credits
DBS: Department of Banking Supervision
EWT: Early Warning Team FCs: Financial Conglomerates
FCMD: Financial Conglomerates Monitoring Division
FSDC: Financial Stability and Development Council
FSR: Financial Stability Report
HLCCFM: High Level Coordination Committee on Financial Markets
HNIs: High Networth Individuals
HTM: Held to Maturity
ICAI: Institute of Chartered Accountants of India
ICCL: Indian Clearing Corporation Limited
IDF: Infrastructure Debt Fund
IGMS: Integrated Grievance Management System
IRAC: Income Recognition and Asset Classification
IRDA: Insurance Regulatory and Development Authority
IRF: Inter Regulatory Forum
IRTG: Inter Regulatory Technical Group
ISIN: International Securities Identification Number
JLF: Joint Lenders' Forum
LTV: Loan-to-Value
MCX-SX: MCX Stock Exchange Limited
MHP: Minimum Holding Period
MIS: Management Information System
MMoU: Multilateral Memorandum of Understanding
MTM : Mark to Market
NAV: Net Asset Value
NBFC: Non-Banking Financial Company
NCFE: National Centre for financial Education
NGO: Non-Government Organisation
NISM: National Institute of Securities Markets
NPA: Non Performing Assets
NPS: National Pension System
NSCCL: National Securities Clearing Corporation Limited
NSE: National Stock Exchange
NSFR: Net stable funding ratio
PAN: Permanent Account Number
PFM: Pension Fund Manager
PFRDA: Pension Fund Regulatory and Development Authority
RBI: Reserve Bank of India
RIA: Regulatory Impact Assessment
RRBs: Regional Rural Banks RRC: Regulations Review Committee
SDI: Securitised Debt Instruments
SEBI: Securities and Exchange Board of India
SID: Scheme Information Document
SPV: Special Purpose Vehicle
SSU: System Stability Unit
TATs: Turnaround Times
UCC: Unique Client Code
UCBS: Urban Cooperative Banks