



**Minutes of the Five Hundred and Seventy-Ninth (579th) Meeting of
the Central Board of Directors of the Reserve Bank of India held
on October 11, 2019 at Chandigarh**

PRESENT

Governor

Shaktikanta Das: Chairman

Deputy Governors

N. S. Vishwanathan B. P. Kanungo

M. K. Jain

Directors

Rajiv Kumar Atanu Chakraborty

N. Chandrasekaran Bharat N. Doshi

Sudhir Mankad Ashok Gulati

Manish Sabharwal Prasanna K. Mohanty

Dilip S. Shanghvi Satish K. Marathe

S. Gurumurthy Revathy Iyer

Sachin Chaturvedi

Present by Invitation - Executive Directors

Deepak Mohanty M. D. Patra

M. Rajeshwar Rao Malvika Sinha

S. Ganesh Kumar Uma Shankar

Parvathy V. Sundaram Lily Vadera

Rabi N. Mishra Nanda S. Dave

Anil K. Sharma Sudha Balakrishnan

In Attendance

Susobhan Sinha, Chief General Manager & Secretary



Five Hundred and Seventy-ninth (579th) Meeting of the Central Board of Directors of the Reserve Bank of India held on October 11, 2019 at Chandigarh

Before commencing business, the Central Board observed that Shri Bharat N. Doshi and Shri Sudhir Mankad are attending the meeting through video conferencing. Governor apprised the Board about the forthcoming superannuation of Smt. Uma Shankar, Executive Director, on October 31, 2019 and Smt. Parvathy V. Sundaram, Executive Director, on November 29, 2019. The Directors placed on record their appreciation of the contributions made by the two Executive Directors.

2. (i) The agenda of the meeting is at Annex - I.

(ii) Action points that emerged from the meeting are at Annex - II.

3. Signing of the minutes of the meeting of the Central Board held on August 26, 2019.

3.1 The draft minutes of the 578th meeting of the Central Board held on August 26, 2019 were presented to the Board.

3.2 The Chairman signed the minutes of the 578th meeting.

4. Grant of leave of absence to Directors

4.1 All Directors were present.

5. Submission of the proceedings of the meetings of the Committee of the Central Board

5.1 Proceedings of the meetings of the Committee of the Central Board held between August 21, 2019 and September 25, 2019, which had already been circulated among the Directors, were submitted to the Central Board.

6. Weekly Statement of Affairs of Reserve Bank of India for the week ended October 4, 2019

6.1 The weekly accounts of the Bank for the week ended October 4, 2019, were submitted to the Central Board.



6.2 The Directors deliberated in detail on the prevalent systemic liquidity situation and the flow of credit from banks and NBFCs to the economy.

6.3 The Chairman signed the accounts.

7. Weekly Financial and Commercial Report (WFCR)

7.1 The Board reviewed and took on record the macroeconomic developments and the state of the money market during the week as reflected in the Weekly Financial and Commercial Report (WFCR). The Board discussions focused, inter-alia, on issues relating to financial markets, impact of monsoon on agriculture sector and prices, agricultural infrastructure and the external sector situation.

7.2 A Director presented his perspective on select industries viz. automobiles, real estate, steel, power and road transport. He was of the view that a concerted effort on the part of the Government as well as various regulators is needed to improve the situation.

7.3 Another Director agreed to share his perspective on the cooperative sector in the next Central Board meeting.

8. Change in unit of presentation in the Balance Sheet, Income Statement and Weekly Statement of Affairs (WSA)

8.1 The Board considered the Chief Financial Officer's memorandum dated September 20, 2019 on the Change in unit of presentation in the Balance Sheet, Income Statement and Weekly Statement of Affairs (WSA).

8.2 The Board passed the following resolution:

Resolved

that the following proposals of the Memorandum dated September 20, 2019 are hereby taken on record and approved:

- To approach Central Government for issuance of Gazette Notification in terms of Section 53(1) for changing the unit of



presentation in WSA from 'Amount in Rupees billions' to 'Amount in Rupees Crore' as indicated in Annex III(b).

- To approach Central Government for prior sanction as contemplated in section 58(1) of RBI Act for:
 - (a) Changing the unit of presentation in the form of Balance Sheet and Income Statement prescribed in Regulation 22(a) and (b) of RBI General Regulation 1949 from 'Amount in Rupees billions' to 'Amount in Rupees Crore' as indicated in Annex I (b) and II (b).
 - (b) Modifying Regulation 23(v) as indicated in Annex IV.

10. Revision of Sitting Fees Payable to Directors of the Central Board and Members of the Local Boards

10.1 The Board deliberated on the Executive Director's memorandum dated September 30, 2019 on the Revision of Sitting Fees Payable to Directors of the Central Board and Members of the Local Boards and decided that the present fee structure should continue.



11. Proceedings of the 9th meeting of the Local Board (Western Area) held on June 10, 2019 at RBI, Mumbai

11.1 The proceedings of the 9th meeting of the Local Board (Western Area) held on June 10, 2019 at RBI, Mumbai were submitted to the Central Board.

11.2 The Board considered the same and passed the following resolution:

Resolved

that the proceedings of the 9th meeting of the Local Board (Western Area) held on June 10, 2019 at RBI, Mumbai be, and are hereby recorded.

12. 167th Meeting of the Official Language Implementation Committee of RBI - Minutes

12.1 The minutes of the 167th Meeting of the Official Language Implementation Committee of RBI were submitted to the Central Board.

12.2 The Board passed the following resolution:

Resolved

that the minutes of the 167th Meeting of the Official Language Implementation Committee of RBI be, and are hereby recorded.

13. Report on the activities of the Consumer Education and Protection Department including Ombudsman Scheme for the period July 1, 2018 to June 30, 2019

13.1 The Board considered the Executive Director's memorandum dated September 24, 2019 on the Report on the activities of the CEPD including Ombudsman Scheme for the period July 1, 2018 to June 30, 2019.

13.2 The Board passed the following resolution:

Resolved

that the Executive Director's Memorandum dated September 24, 2019 on the Report on the Activities of the Consumer Education and Protection



Department including Ombudsman Scheme, during the period July 2018 to June 2019 be taken on record.

14. Report on the activities of the Board for Financial Supervision for the half-year ended June 30, 2019

14.1 The Board considered the Executive Director's memorandum dated September 13, 2019 on the Report on the activities of the Board for Financial Supervision for the half-year ended June 30, 2019.

14.2 The Board passed the following resolution:

Resolved

that the memorandum dated September 13, 2019 on the Report on the activities of the Board for Financial Supervision for the half-year ended June 30, 2019, be and is hereby recorded.

15. Report on the working of the Deposit Insurance and Credit Guarantee Corporation during April 2018 - March 2019

15.1 The Board considered the Executive Director's memorandum dated September 18, 2019 on the Deposit Insurance and Credit Guarantee Corporation during April 2018 – March 2019.

15.2 The Board passed the following resolution:

Resolved

that the Executive Director's Memorandum dated September 18, 2019 regarding Report on the Working of DICGC during the Year 2018-19 be, and is hereby, recorded.

16. Report on the activities of Financial Markets Operations Department for the period July 2018 - June 2019

16.1 The Board considered the Executive Director's memorandum dated September 23, 2019 on the Report on the activities of Financial Markets Operations Department for the period July 2018 - June 2019.

16.2 The Board passed the following resolution:



Resolved

that the Executive Director's Memorandum dated September 23, 2019, reviewing the activities of the Financial Markets Operations Department for the period from July 2018 to June 2019, be, and is, hereby recorded.

17. Report on the activities of Financial Markets Regulation Department for the period July 18 - June 19

17.1 The Board considered the Executive Director's Memorandum dated September 24, 2019 on Report on the activities of Financial Markets Regulation Department for the period July 18 - June 19.

17.2 The Board passed the following resolution:

Resolved

that the Executive Director's Memorandum dated September 24, 2019, reviewing the activities of the Financial Markets Regulation Department for the period from July 2018 to June 2019, be, and is, hereby recorded.

18. Report on the activities of the Sub-Committees of the Central Board during July 2018-June 2019

18.1 The Board considered the Executive Director's memorandum dated September 24, 2019 on the Report on the activities of the Sub-Committees of the Central Board during July 2018-June 2019.

18.2 The Board passed the following resolution:

Resolved

that the Executive Director's Memorandum dated September 24, 2019 on "Report on the working of the Sub-Committees during July 1, 2018 – June 30, 2019" be, and is hereby, recorded.

19. Date and place of next Central Board Meeting - December 13, 2019 at Bhubaneswar



Resolved

that the next meeting of the Central Board will be held on December 13, 2019 at Bhubaneshwar.

20. Any other business with the permission of the Chair

20.1 The Board discussed in detail the current state of the financial sector with special focus on the regulatory and supervisory architecture of commercial and co-operative banks as also NBFCs. In reply to queries of some directors, the framework of supervision of banks and other financial entities regulated and supervised by the RBI, were explained. In this context, the specific case of PMC bank was also discussed. It was informed that RBI has taken/initiated several measures to strengthen supervision and regulation of these entities. It was also informed that the formation of a separate department of regulation and supervision, that was approved by the Central Board in its meeting on May 21, 2019 will take effect from November 1, 2019.

[REDACTED]

[REDACTED]

[REDACTED]

Information items

- (i) Formation of Strategy Sub-Committee of the Central Board of Directors - **Recorded.**
- (ii) Annual Report on the Functioning of the Local Boards during the period April 2018 to March 2019 -**Recorded.**
- (iii) Expenditure and Budget Review for the FY 2018-19 (*deferred from 578th meeting*) - **Recorded.**



Information items: Compliance

- (iv) Role of Payment Banks and Small Finance Banks in enhancing financial inclusion (*deferred from 577th meeting*) - Recorded.
- (v) Compliance to the action points emanated from the meetings of the Central Board (*deferred from 578th meeting*) - Recorded.
- (vi) Actuarial Valuation Reports as on June 30, 2019 (*deferred from 578th meeting*) - Recorded.

Dated the December 13, 2019

Chairman



Annex I

579th Central Board Meeting: Friday, October 11, 2019 at Chandigarh - Agenda

Sl. No.	Items	Purpose	Department
1	Signing of the minutes of the meeting of the Central Board held on August 26, 2019	Approval	Secretary's
2	Grant of leave of absence to Directors	Approval	Secretary's
3	Submission of Proceedings of the meetings of the Committee of the Central Board	Recording	Secretary's
4	Weekly Statement of Affairs of Reserve Bank of India for the week ended October 4, 2019	Approval	DGBA
5	Weekly Financial and Commercial Report (WFCR)	Recording	DEPR
6	Change in unit of presentation in the Balance Sheet, Income Statement and Weekly Statement of Affairs (WSA)	Approval	DGBA
7	[REDACTED]	[REDACTED]	[REDACTED]
8	Revision of Sitting Fees Payable to Directors of the Central Board and Members of the Local Boards	Approval	Secretary's
9	Proceedings of the 9 th meeting of the Local Board (Western Area) held on June 10, 2019 at RBI, Mumbai	Recording	Secretary's
10	167 th Meeting of the Official Language Implementation Committee of RBI - Minutes	Recording	Rajbhasha
11	Report on the activities of the Consumer Education and Protection Department including Ombudsman Scheme for the period July 1, 2018 to June 30, 2019	Recording	CEPD
12	Report on the activities of the Board for Financial Supervision for the half-year ended June 30, 2019	Recording	DBS
13	Report on the working of the Deposit Insurance and Credit Guarantee Corporation during April 2018 - March 2019	Recording	DICGC
14	Report on the activities of Financial Markets Operations Department for the period July 2018 - June 2019	Recording	FMOD
15	Report on the activities of Financial Markets Regulation Department for the period July 18 - June 19	Recording	FMRD
16	Report on Sub-Committees of the Board for the period July 18 - June 19	Recording	Secretary's



17	Date and place of next Central Board Meeting - December 13, 2019 at Bhubaneswar	Information	Secretary's
18	Any other business with the permission of the Chair	Information	Secretary's

Information items

i.	Formation of Strategy Sub-Committee of the Central Board of Directors	Information	CSBD
ii.	Annual Report on the Functioning of the Local Boards during the period April 2018 to March 2019	Information	Secretary's
iii.	Expenditure and Budget Review for the FY 2018-19. <i>(deferred)</i>	Information	CSBD

Information items: Compliance

iv.	Role of Payment Banks and Small Finance Banks in enhancing financial inclusion <i>(deferred)</i>	Information	FIDD
v.	Compliance to the action points emanated from the meetings of the Central Board <i>(deferred)</i>	Information	Secretary's
vi.	Actuarial Valuation Reports as on June 30, 2019 <i>(deferred)</i>	Information	CSBD



Annex II

579th Central Board Meeting: Friday, October 11, 2019 at Chandigarh - Agenda

Action Points

Agenda Item 18: Any other business with the permission of the Chair

1. The copies of the presentations made in the Central Board meetings should be uploaded in the Board Meeting Solution after the conclusion of the Board meeting.

(Action: Secretary's Department)

[Redacted content]