**Certified Accounting and Audit Professional**

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| **S.No.** | **RBI Notification** |
|  | Review of Regulatory Framework for Asset Reconstruction Companies (ARCs) |
|  | Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework |
|  | Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of material items |

**Review of Regulatory Framework for Asset Reconstruction Companies (ARCs)**

RBI/2022-23/128  
DoR.SIG.FIN.REC.75/26.03.001/2022-23

October 11, 2022

All Asset Reconstruction Companies

Dear Sir/ Madam,

**Review of Regulatory Framework for Asset Reconstruction Companies (ARCs)**

ARCs play a vital role in the management of distressed financial assets of banks and financial institutions. Considering their critical role, a need was felt to review their functioning and operating framework. Accordingly, as part of the [Statement on Developmental and Regulatory Policies](https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51382) released along with the [Monetary Policy Statement on April 7, 2021](https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51381), the Reserve Bank of India had set up a Committee to undertake a comprehensive review of the working of ARCs and recommend suitable measures for enabling them to function in a more transparent and efficient manner.

2. Based on the Committee’s recommendations and feedback from the stakeholders, the extant regulatory framework for ARCs has been amended as detailed in the [Annex](https://m.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12399#AN1).

3. These guidelines shall be effective immediately or as indicated otherwise in the [Annex](https://m.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12399#AN1).

Yours faithfully,

(J.P. Sharma)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://m.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=12399>

**Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework**

RBI/2022-23/140  
DoR.FIN.REC.82/03.10.123/2022-23

November 23, 2022

To All Regulated Entities of the Bank

Madam/Dear Sir,

**Inclusion of Goods and Service Tax Network (GSTN) as a Financial Information Provider under Account Aggregator Framework**

Please refer to the [Master Direction – Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016 dated September 02, 2016](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10598).

2. With a view to facilitate cash flow-based lending to MSMEs, it has been decided to include Goods and Services Tax Network (GSTN) as a Financial Information Provider (FIP) under the Account Aggregator (AA) framework. Department of Revenue shall be the regulator of GSTN for this specific purpose and Goods and Services Tax (GST) Returns, viz. Form GSTR-1 and Form GSTR-3B, shall be the Financial Information.

3. Accordingly, the select instructions contained in the Master Direction referred to above have been amended, as detailed in the [Annex](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12412&Mode=0#AN1).

Yours faithfully,

(J.P. Sharma)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12412&Mode=0>

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of material items**

RBI/2022-23/155  
DOR.ACC.REC.No.91/21.04.018/2022-23

December 13, 2022

Madam/Sir,

**Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 - Disclosure of material items**

Please refer to the notes and instructions for compilation of Balance Sheet and Profit and Loss Account, for commercial banks, as specified in Annexure II to the [Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions, 2021](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12158) (hereinafter referred to as “Directions”).

2. In terms of Part A of Annexure II to the Directions, in case any item under the subhead “Miscellaneous Income” under the head “Schedule 14-Other Income” exceeds one per cent of total income, particulars shall be given in the notes to accounts. Similar instructions exist in case of subhead “Other expenditure” under the head “Schedule 16-Operating Expenses”.

3. In order to ensure greater transparency, it has been decided that banks shall also disclose the particulars of all such items in the notes to accounts wherever any item under the Schedule 5(IV)-Other Liabilities and Provisions-“Others (including provisions)” or Schedule 11(VI)-Other Assets-“Others” exceeds one per cent of the total assets.

4. Further, Payments Banks shall also disclose particulars of all such items in the notes to accounts, wherever any item under the Schedule 14(I)-Other Income-“Commission, Exchange and Brokerage” exceeds one per cent of the total income.

5. We also invite attention to Clause 6 of the Chapter IV of the Directions ibid, in terms of which more comprehensive disclosures than the minimum required are encouraged, especially if such disclosures significantly aid in the understanding of the financial position and performance of banks.

**Applicability**

6. These instructions are applicable to all commercial banks. These instructions shall come into effect for disclosures in the notes to the annual financial statements for the year ending March 31, 2023 and onwards.

7. The [Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12158) shall stand updated to reflect these changes.

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12426&Mode=0>