



SURAT BRANCH OF WIRC OF ICAI

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CA NAVEEN JAIN
Chairman

कल्पयति येन वृत्तिं येन च लोके प्रशस्यते सद्भिः। स गुणस्तेन च गुणिना रक्ष्यः संवर्धनीयश्च॥

Translation: The skill that sustains livelihood and which is praised by all should be fostered and protected for your own development.

Greetings for new financial year 2021-22. April is the month to show chequered flag to fresh financial year. We all are very much aware that last year was extremely challenging for entire humanity around the globe. We are still to completely overcome with the pandemic. We have Bank Branch audit to kick start the month. Our professionals will be on wheels through out the audit task. We have to take utmost care towards our health and professional duty. Surat Branch of WIRC is proud to announce that more than 300 CA members & their families have got vaccinated till last month at our COVID Camp. I urge all my professional colleagues to get vaccinated and stay safe from pandemic. Last month we jubilant fully started our fresh term with flow of physical events but sudden surge in COVID fatalities brought down regulatory restrictions and we needed to restrict all

our activities into webinars. Still we are hopeful for new month, numerous events has been scheduled this month by branch to discuss Insolvency, New CARO, Faceless Assessments, and Recent Changes in Finance Bill 2021.

With the opening of new horizons by technology, scope and form of our tasks are also changing rapidly. On Innovative grounds, We also need to enter into new scope of practice such as Data Mining, Data Analytics, System Audits, SME Listing and many more. In coming months, Branch is planning to organize seminars on such areas of work to explore them more deeply.

Best Regards-CA Naveen Jain, Chairman, Surat Branch of WIRC of ICAI.

MANAGING COMMITTEE MEMBERS OF SURAT BRANCH OF WIRC OF ICAI



CA Naveen Jain Chairman CA Pooja Murarka Vice Chairperson CA Rahul Agrawal Secretary CA Arun Narang Treasure CA Ishwar Jivani IMM. Past Chairman CA Mihir Thakkar Past Chairman CA Pradeep Kabra MCM

EX OFFICIO

CA JAY CHHAIRA - CCM, CA BALKISHAN AGARWAL- RCM

TEAM MEMBERS

CA ASHWIN BHAUWALA, CA MANOJ JAIN, CA JONI JAIN, CA CHAYAN AGRAWAL

Editorial Board

CA Naveen Jain,

CA Pooja Murarka,

CA Joni Jain,

CA Ashwin Bhauwala



CA BALKISHAN AGARWAL Regional Council Member

To, Learned members and Professional Colleagues



**COMING TOGETHER IS A BEGINNING,
KEEPING TOGETHER IS PROGRESS,
AND WORKING TOGETHER IS SUCCESS**

The noble profession of Chartered Accountancy is moving ahead gradually playing Instrumental role in society, helping nation to grow and maintaining the financial fabric of the country. The year 2020-21, in the wake of continuing pandemic, has been truly challenging for all of us. This year has taught us that no obstacle is large enough as long as we are equipped with positivity and faith as our armor.

Today, when I look back in hindsight, one of the biggest challenges that we as a team have accomplished during the year is the successful completion of Chartered Accountancy Examination during November/December, 2020 in the pandemic situation. I would like to congratulate Surat Branch of ICAI for successfully organising the 24 days long exams in staggered way while recovering from pandemic ensuring safety of all under the guidance of Past Chairman CA Ishwar Jivani.

I would like to take this opportunity to congratulate the newly elected managing committee members of Surat Branch of ICAI. I firmly believe that the Surat Branch would attain newer heights under the able leadership of Chairman CA Naveen Jain, Vice Chairman CA Pooja Murarka, Secretary CA Rahul Agarwal, Treasurer CA Arun Narang and other managing committee members.

I would also like to thank CCM CA Jay Chhaira Sir for always being readily available to help and guide all the members and students of the branch. His enthusiasm and dedication towards the profession motivates us to do better than before.

Last but not the least I would like to mention a small quote.

"The best way to predict the future is to create it."

With Warm Regards and Thanks,

CA BALKISHAN AGARWAL
Regional Council Member



Importance of System Based Trading



-CA UDIPATH TALERA

Trading in the stock markets is something which everyone can jump into, but not everyone can remain profitable consistently. So, have you ever thought how expert traders on profits from the markets consistently, year after year?

Earning consistent profits from the markets requires a lot of discipline. This is difficult since as human beings we are prone to taking emotional decisions while trading in the markets, which ultimately lead to losses. To avoid this, all the expert traders do the following:

- They do system based trading and
- Follow sound money management principles.

Today we are going to understand what system based trading is, and how it can help you to become a better trader. Experts defines a trading system as “a group of specific parameters that combine to create buy and sell signals for a given security”. It is a robust set of rules and principles which helps you to identify entry and exit points in the live markets.

There are two types of trading systems that traders generally follow. Some use the techniques of fundamental analysis for arriving at trading signals, while others use technical analysis for the same. However, we recommend following a combination of the two. This hybrid approach will increase your chances of success while doing system based trading.

The importance of system based trading:

• **Focus:** One thing that baffles most new traders is the huge volume of news, economic data and other information related to the market that they get.

It becomes extremely difficult to filter the news based on the importance, authenticity and timeliness. Sticking to system based trading will help you to avoid getting baffled with unnecessary information and you will be able to act upon information that is most important. This will increase your chances of earning handsome profits.

• **Discipline:** The primary reason why many traders and investors lose money in the market serious because they lose control of their emotions while trading. When the markets move adversely they feel afraid of losing money and in other cases, they end up being greedy for more profits. Both of these have a deeply negative effect on trading. Using a system based trading will enable you to state discipline while trading in the markets. While creating the trading system do a thorough research and set up strict rules. These rules will make you enter and exit the markets at the right time without feeling emotional. Hence you will stay protected from both fear and greed, the two primary psychological reasons why most traders lose money in the markets.

• **Stay within limits:** Along with the entry and exit rules, money management rules are also set up in a trading system. This tells the system how much of exposure can be taken at any given point in time. Since the trading system is devoid of any emotion, it will never go beyond that limit. This will help you to avoid over trading, which is a big enemy of every trader. Identify the right opportunities: One common mistake that rookie traders make is that they try to trade in every

opportunity, thereby making their entire trading book very chaotic. They feel puzzled when they identify multiple trading opportunities and try to enter into most of them hoping to earn good profits. Using system based trading can help you to avoid this problem. Since the trading system will follow a restrict set of rules that you will set up for identifying the right stocks to invest in, it will be able to choose the best trading opportunity for you. For example, if it identifies 5 different trading opportunities by applying these rules, it will also be able to predict how much profits you can expect to earn from each of these opportunities. Thereafter, it will select the best ones that give you the best returns at the lowest risk. Hence, you will be able to execute only those trades that will expect high returns.

• **Constant monitoring and exit:** After you have entered the trade, the trading system will monitor the positions on a real-time basis and exit the position when the markets behave adversely. This will help you to avoid situations where profitable trades turn into loss-making ones within minutes due to the markets becoming extremely volatile.

Tips for staying profitable:

• **Decide on the right rules:** As mentioned earlier, system based trading will require you to come up with the set of rules which the system will use while trading in the live markets. Hence it is very important that you choose the best rules that will increase your odds of earning profits.

You can go for either a fundamental analysis based trading or technical analysis based rules. However, we feel that a mix of both will be the best for ensuring that you choose the right stocks and also trade at the right time.

• **Test the strategies thoroughly before going live:**

Before you start doing system based trading in the live markets ensure that you test your strategies and rules thoroughly. You can do this by either back-testing the strategies using past data or do paper trading in the markets without putting in actual money. Make the necessary changes based on results of this testing before using the system in the live markets. This will help you to avoid mistakes that can cost you loads of money in the market in the form of trading losses.

• **Optimise:** No trading strategy or trading system that you create is going to work forever. It is important that you constantly monitor and make changes to the trading system according to how the markets are behaving. This will enable you to trade with the latest strategies and make profits consistently from the markets if your trading system works properly.

Create a solid system based trading plan for yourself using these tips and ensure your profitability and sustainability in the markets for the long term.



Objectives of Stock Audit

The banker appointing the chartered accountant firm for conducting stock audit has main objective of ascertaining whether the security (borrower’s stock and debtors) against which finance has been made is safe and is valued correctly.

To Ensure the End Use of Credit Facilities provided.

Review / Revision of Stock Audit Skills (Practical Approach)

PART –I PROCEDURAL COMPLIANCE:

1. Acceptance to the concerned authority as per the scheduled time.
2. Communicate the check list for documents:
 - a. Borrower- mail to registered mail ID or hard copy as the case may be, with CC to Branch and Authority.
 - b. Branch- mail to branch with CC to controlling authority for documents from branch.

Part- II Points to be taken care:

Below is the key point of general deficiency.

STOCK STATEMENTS

- Non Submission in time
- Incomplete details
- DP register not updated
- Agewise details not submitted
- DP not correctly calculated
- Latest Visit report not on branch records

A. ACCOUNT OPERATIONS

- Poor Churning
- Not renewed properly
- Sales not routed through CC A/c
- Frequent TOD
- Abnormal Cash Withdrawals
- Abnormal Business Transaction

B. INSURANCE COVERAGE

- Coverage Value

- Expired?
- Bank Clause
- Location
- Descripton of goods

C. STOCK & CREDITORS

- Stock Register not maintained / updated.
- Obsolete stock excluded?
- March Stock Statement to tally with Audit Balance Sheet.
- Verification / confirmation of goods lying at job worker’s premises.
- Materials received for job work to be excluded for DP
- Trade Creditors to be excluded (deducted) while arriving at DP.

D. DEBTORS

- Long Pending Debtors
- Proper age wise bifurcation
- Increase in collection period
- Any dispute with debtors pending at court
- Group firm debtors to be excluded for DP purpose.

E. OTHERS

- Diversion to group firm
- Accounts with other Bank for which no prior permission obtained.
- Bank Name plate not displayed at prominent places.

Above list is illustrative only and not the exhaustive one. In actual practice, there may be other observations / irregularities over and above stated in the list.

Any queries / discussion can be reached at

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FAQ on “Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances” RBI Circular date August 06, 2020

1.Criteria/Condition for MSME – Restructuring.

● First Condition is OTR (One Time Restructuring), that if any account restructured earlier & circular which reference here, not eligible under this framework are. (This condition specified into January 01, 2019 circular, not specified into August 06, 2020).

● Second Condition:- Aggregate Exposure Rs. 25 Crore as on March 01, 2020

2.Mr. X is proprietor of 3 firm with credit limit of Rs. 8 Cr. & 9 Cr. & 10 Cr., eligible under this framework?

● No, here total aggregate exposure Rs. 27 Cr. (8+9+10).

3.Circular benefit borrower wise or account wise or CIF base?

● Account wise.

4.MSME enjoying machinery loan & Housing Loan. Both eligible for restructuring?

● As per guidelines only MSME accounts is eligible for restructuring.

5.Mr. X enjoying credit facility of CC and TL. Aggregation or individual limit relevant while calculating exposure norms?

● Aggregate limit consider for calculation of exposure norms.

6.In case of CC/TL which amount is relevant for calculating exposure norms?

● First condition is Sanction Limit or Outstanding, whichever is higher, however in the case of TL where further withdrawal are not possible for the borrower than outstanding amount is to be considered.

7.Relevant amount in case of BG/LC/BD when not utilized.

● In respect of non-funded credit limit, 100% of such limit or outstanding, whichever is higher, need be taken into account for the purpose.

8.Whether Adhoc limit consider?

Yes,

, 9.Whether FDOD limit consider?

● For, UCB it is No, however for Schedule Commercial Bank Yes.

● If UCB borrower enjoy credit limit 24 Cr. Term Loan for Machinery & 2 Cr. FDOD, than account are eligible for restructuring, however in the case of Schedule Commercial Bank, account holder is not eligible for restructuring.

10.Whether investment covered under exposure limit?

● Yes, Investment exposure (non-SLR) are consider for exposure limit

11.Credit facility enjoyed by Mr. X are as follow. Which one is eligible under MSME restructuring?

No	Bank	Amt. (Cr.)	Bank	Amt. (Cr.)	Total Exposer of both FI	Eligible
1	UCB ABC	18	UCB XYZ	10	28	No
2	UCB ABC	20	SFB XYZ	10	30	No
3	UCB ABC	14	SCB XYZ	13	27	No
4	UCB ABC	12	NBFC XYZ	14	26	No

SF = Small Finance Bank, SCB = Schedule Commercial Bank, NBFC = Non- Banking Finance, UCB = Urban Co.op. Bank

In above case borrower enjoy individual bank exposer it less than Rs. 25 Cr., however aggregate of exposer is more than Rs. 25 Cr., so borrower are not eligible for restructuring.

12.How to ascertain condition of 25 crore exposure?

- First Self Declaration
- Verification of Balance Sheet
- When Latest Balance Sheet not available, taken CA Certificate
- CIBIL
- PCR (Public Credit Registry) still it under process

13. Limit of Mr. X overdue 75 Days (2.5 instalment) as at March 01, 2020. Whether eligible for restructuring? Does it make any difference if CC overdue for 25 days? If 25 days is replaced with 89 days.

● Yes, if borrower’s account was a ‘standard asset’ as on March 1, 2020, then it has eligible.

14.Mr. X not having GST registration number at the time of application, however at the time implementation (sanction) he got registered. Eligible?

● The borrowing entity is GST-registered on the date of implementation (Definition of Implementation – Refer FAQ 22 para 2) of the restructuring.

15.Dr. X not having GST registration number. Eligible?

● Activity which are exempt from GST (i.e. Agriculture service, Health care service, Transport service, SEZ and any other service exempt under GST Act) are also eligible for restructuring.
● Advisable to taken Self declaration or CA certificate.

16.Mr. X having turnover of Rs. 5 Lakh (Below threshold limit of GST)? Eligible?

● As per RBI circular dated August 06, 2020 circular para 2(iv), “This shall be determined on the basis of exemption limit obtaining as on March 1, 2020.” (Also clarify February 22, 2019 circular)
● For safer side of this identification bank should collect CA certificate/Self Certificate to be obtain.

17.Loan sanction after March 01, 2020 are eligible under this framework?

● No

18.Bank sanction the restructuring under this framework as on February 25, 2021 and mortgage formality carried out April 05, 2021. Is it in order?

● Borrower account is implemented by March 31, 2021.
● Definition of implemented is “ The restructuring/resolution plan shall be deemed to be implemented only if all of the following conditions are met:

● a) All related documentation, including execution of necessary agreements between lending institutions and borrower and collaterals provided, if any, are completed by the lenders

● Borrower account is implemented by March 31, 2021.

● Definition of implemented is “ The restructuring/resolution plan shall be deemed to be implemented only if all of the following conditions are met:

● a) All related documentation, including execution of necessary agreements between lending institutions and borrower and collaterals provided, if any, are completed by the lenders concerned in consonance with the resolution plan being implemented;
● b) The changes in the terms of conditions of the loans get duly reflected in the books of the lending institutions; and,
● c) Borrower is not in default with the lending institution as per the revised terms.

19.How implement into CBS (Book of lenders)?

● Revised term and condition (Revised Installment/Tenure) should be reflect into CBS, exchange of information in the case of consortium.

20.Mr. X account overdue 30 days as at March 01, 2020. Also availed moratorium period 6 month. Whether eligible for this framework?

Yes

21.Provision required under this framework? When it can be reverse?

● Reverse:- Satisfactory performance during the specified period – (January 01, 2019 para 1(v))

22.Is NPA account restructured under this framework?

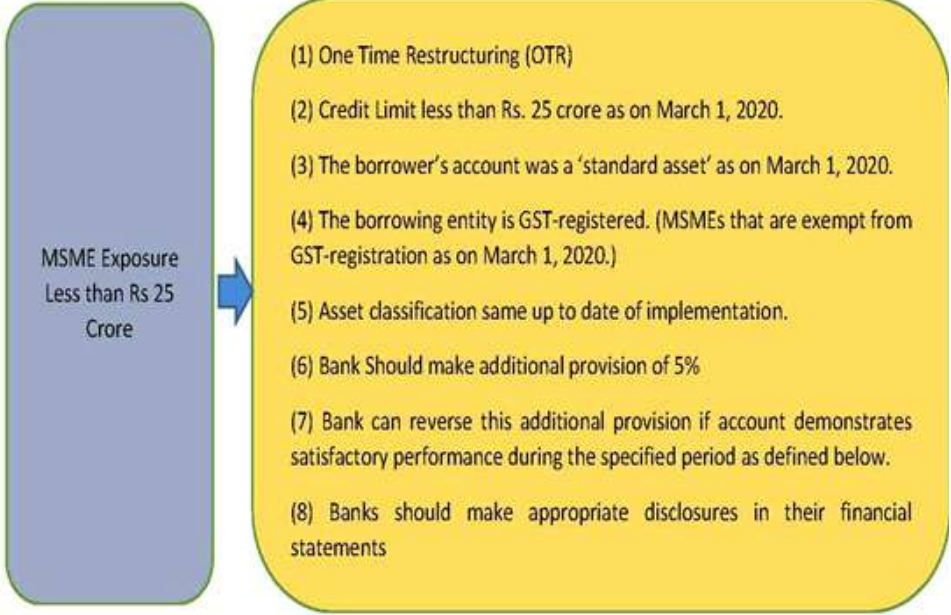
● It is clarified that accounts classified as NPA can be restructured; however, the extant asset classification norms governing restructuring of NPAs will continue to apply, such an account may be considered for upgradation to ‘standard’ only if it demonstrates satisfactory performance during the specified period

23.Rate of interest & Percentage of security under this framework?

● As per specified by individual Bank.

24.Post implementation which IRAC norms applied?

Post-restructuring, NPA classification of these accounts shall be as per the extant IRAC norms. (As per Master Circular date July 01, 2015)



FAQ on “Resolution Framework for COVID- 19- related Stress”
RBI circular date August 06, 2020

1.Mr. X enjoying credit limit more exceeding Rs. 25 Crore. Whether eligible for resolution plan?
Whether Project loan (Real Estate or any other) eligible?

- Yes, Negative List specified by RBI (To whom Not apply) – List are given who are not eligible.
- MSME borrowers whose aggregate exposure to lending institutions collectively, is Rs. 25 crore or less as on March 1, 2020. (Separate notification)

Farm Credit

- Loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) and Large-sized Adivasi Multi- Purpose Societies (LAMPS) for on-lending to agriculture.
- Exposures of lending institutions to financial service providers
- Exposures of lending institutions to Central and State Governments; Local Government bodies (eg. Municipal Corporations); and, body corporates established by an Act of Parliament or State Legislature.
- Exposures of housing finance companies

2.Difference between restructuring and resolution plan?

- RP (Resolution Plan) include restructuring / regularization / change in ownership, if any,

sanction of additional facilities.

3.Which loan are eligible for this Resolution Framework?

- Personal Loan and which are not cover under Part – A of the circular (i.e. other than Personal Loan).

4.M/s ABC & Associates enjoying credit facility under personal loan category. Eligible?

- No, as per para 5 of the circular “This part shall be applicable to resolution of personal loans sanctioned to individual borrowers by lending institutions.”

5.Relevant parameter for drafting policy?

- Individual are eligible
Definition of “Exposure Norms” consider.

6.Meaning of reference date for resolution plan?

- The reference date for the outstanding amount of debt that may be considered for resolution shall be March 1, 2020.

7.Eligibility criteria/condition of “Personal Loan” under this framework?

- Borrower which account classify as “Standard” till the date of invocation of resolution under this framework, but not default for more than 30 days as on March 01, 2020.

8.Meaning of “invocation” of resolution date?

- Invocation date means “date on which both the

borrower and lending institution have agreed to proceed with a resolution plan under this framework”, generally it’s date on which application received by bank and it should be acknowledge by bank and also consider for process.

9.If Mr. X delinquent for less than 30 days as at March 01, 2020. Also availed moratorium period. Eligible for these framework?

Yes, if Mr. X continues overdue more than 60 days during the year, however as on March 01, 2020 his overdue is less than 30 days than he is eligible for resolution framework.

10.Amount consider for resolution framework?

- The actual debt that may be considered for resolution will be the outstanding as on the date of invocation.

11.Importent covenant for implementation of these framework?

- Resolution plan include (a) payments, (b) conversion of any interest accrued, or to be accrued, (c) into another credit facility, (d) granting of moratorium, based on an assessment of income streams of the borrower
- Subject to a maximum of two years.

12.Eligibility criteria/condition for other than “Personal Loan” & “Other than Personal Loan” under this framework?

- Except one condition, most of the condition same which specified in the “Personal Loan” which is (exception rule) is “Resolution under this framework may be invoked not later than December 31, 2020 and must be implemented within 180 days (i.e. 90 days in the case of Personal Loan) from the date of invocation. (i.e. Maximum 29/06/2021)

13.Does M/s ABC Pvt. Ltd. are eligible for Resolution Framework?

- As per section 1, the framework shall be applicable to eligible borrowers – corporate persons or otherwise.

14.Bank policy, inter alia, should include;

- Detail the eligibility criteria of borrowers to consider the resolution,
- Lay down the due diligence considerations process to establish the necessity of implementing a resolution plan in respect of the concerned borrower. (As per bank discretionary power)

15.Mr. X account classify into NPA as on February 28, 2021, however this account already invocation done December 25, 2020 for resolution plan and implementation done as on March 05, 2021, whether “Upgradation” possible or eligible for under this framework? Or this framework implemented or not?

- Yes, Para 38 of the circular date August 06, 2020, “accounts which may have slipped into NPA between invocation and implementation may be upgraded as Standard, as on the date of implementation of the plan.”

16.Whether provision made under “Moratorium Period” circular date April 17, 2020 are eligible for set off?

- Yes

17.Whether reversal of provision is possible? If yes, When?

- 50% reverse after payment of 20% of the residual debt.
- 50% reverse after additional payment of 10% of the residual debt (without slipping into NPA).

18.IRAC norms – post implementation.

- Normal, As per MC on IRAC.

19.Additional precaution required.

- Yes, Disclosures and Credit Reporting
- Quarterly Statement in Form – A
- Half yearly Statement in Form – B
- Annual Disclosures in his financial statement the resolution plan is implemented under this facility shall reflect the “restructured” status of the account
- The credit history of the borrowers shall consequently be governed by the respective policies of the credit information companies as applicable to accounts that are restructured.

20. ABC & Associates enjoy credit facility of Rs. 175 Crore. Procedure to be followed.

- Yes (Above 100 Crore) following additional process follow;
- ICE (Independent Credit Evaluation) by CRA authorized by RBI (Minimum Rating RP4 and above).

ICE Symbols	Remarks
RP1	Highest Degree of Safety – Lowest Credit Risk
RP2	High Degree of Safety – Very low Credit Risk
RP3	Adequate Degree of Safety – Carry Low Credit Risk
RP4	Moderate Degree of Safety – Carry Moderate Credit Risk
RP5	Moderated Risk of Default
RP6	High Risk of Default
RP7	Very High Risk of Default

21.ABC & Associates enjoy credit facility of Rs. 2000 crore. Procedure to be followed.

- Yes (Above Rs. 1500 Crore) following additional process follow;
- EC (Expert Committee) recommend a list of financial parameters and sector-specific parameters (K.V.Kamath Committee Submitted report September 07, 2020)
- Parameter include leverage, liquidity, debt serviceability etc.
- EC give opinion on resolution plan
- EC shall have its secretariat at the Indian Banks’ Association.

22.ABC & Associates enjoy credit facility under consortium/multiple banking Rs. 95 crore form 5 different bank. Procedure to be followed.

- All the above condition must be satisfy
- 75% value and 60% number agree to invoke the same and ICA signed within 30 days from the date of invocation.
- If not signed within stipulated time (30 days), the resolution process cannot be invoked again under this framework.
- Bank who are not signed or not signed within 30 days ICA from the date of invocation, required provision of 20%.
- Lenders to the borrower which are other than

the lending institutions as per this circular may also sign the ICA, if they so desire.

If any dispute, settle through ICA, RBI not liable.
ICA should provide for suitable mechanisms for information sharing amongst lending institutions during and after implementation of the resolution plan.

Additional finance routed through escrow account.

Any default by the borrower with any of the signatories to the ICA during the monitoring period**shall trigger a Review Period of 30 days.

- Monitoring period, for this purpose, is defined as the period starting from the date of implementation of the resolution plan till the borrower pays 10 percent of the residual debt, subject to a minimum of one year from the commencement of the first payment of interest or principal (whichever is later) on the credit facility with longest period of moratorium.
- If any guideline breach normal IRAC norms applied.

23.Whether account not fulfill eligibility criteria, than alternate resolution framework are available?

- Yes, If any of the condition violation, borrower are not eligible under this framework, however borrower are eligible under normal restructuring as per specified into RBI Master Circular date July 01, 2020 for UCB only and for Schedule Commercial Bank follow RBI Circular date June 07, 2019 “Prudential Framework for Resolution of Stressed Assets”

24.To whom Expert committee (September 04, 2020) recommendation not apply to?

- Part A of the circular (Personal Loan) and Borrower not cover under this circular.

25.Whether the list of financial parameters prescribed by the Expert Committee and notified by RBI on September 7, 2020 are applicable only to borrowers having exposure of more than Rs. 1500 crore or for all resolution

plans to be undertaken in terms of Resolution Framework?

The instructions in the circular dated September 7, 2020 is applicable in the case of all borrowers in respect of whom resolution is being undertaken in terms of Part B of the Annex to the circular dated August 6, 2020 on Resolution Framework. (RBI FAQ update December 12, 2020)

26. are the additional provisions prescribed under the Resolution Framework to be treated as specific provisions to be maintained or as general provisions that would partly qualify for inclusion as Tier 2 capital?

- The various additional provisions prescribed under the Resolution Framework are specific provisions to be maintained in respect of each exposure under consideration. (RBI FAQ update December 12, 2020)
- 27.The circular dated September 7, 2020 has listed only a few sectors in respect of which the threshold values for the mandatory financial parameters have been prescribed. Does this mean that Resolution Framework is not applicable to borrowers belonging to other sectors?
- Resolution Framework is applicable in respect of all eligible borrowers subject to the exclusions prescribed in Paragraph 2 of the Annex to the circular dated August 6, 2020. In respect of those sectors where the sector-specific thresholds have not been specified in the circular dated September 7, 2020, lending institutions shall make their own internal assessments regarding TOL/ATNW and Total Debt/EBITDA.



However, the current ratio and DSCR in all cases shall be 1.0 and above, and ADSCR shall be 1.2 and above. (RBI FAQ update December 12, 2020)

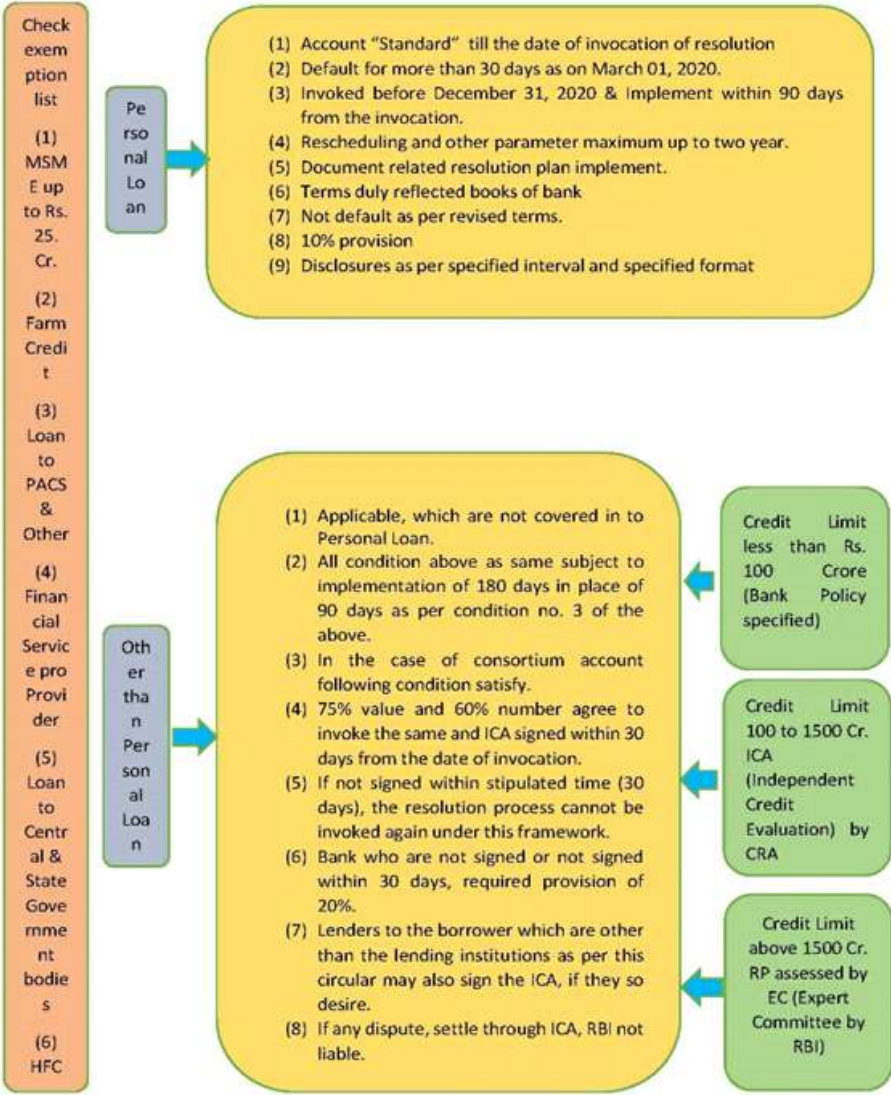
28.Will the following categories of loans be classified as personal loans:

- a.“Loan Against Property” loans which are availed for business purpose but are secured by immovable assets
- b.Loans granted to individuals where the property is in name of individual and a related company/non individual entity has been taken as co-borrower on the loan structure to supplement the income for repayment of loan.

If not, where would such set of customers would be covered for Covid-19 related stress?

- In terms of the circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018, the above exposures do not qualify as personal loans. In such cases, the resolution of eligible borrowers may be undertaken under Part B of he Annex to the

Resolution Framework.
(RBI FAQ update December 12, 2020)



-CA Gopal Dhakkan
& CA Jayraj Dhakkan

Events of March

- 1. Regional 1st conclave -5th march
- 2. Bank branch audit -20th march
- 3. 1st on real sector - 26th march.



“ SPCL 6
15th to 22nd March

1st March

Felicitation ceremony of newly qualified CA .
180 new chartered accountants were present.



Felicitation of WIRC Team Bearers.



Meeting with Past Chairman of Surat Branch of WIRC of ICAI



Meeting with South Gujarat Chamber of Commerce



Meeting of WIRC team with WICASA Surat

Upcoming Events of April

- 1. Approach for faceless assessments
- 2. Analysis of new cara
- 3. Three days Workshop on Insolvency
- 4. AnAlysis on amended finance bill 2021.