



NEWSLETTER

Email : newsletter@bmcbank.co.in

Bombay Mercantile Bank Ltd.

BOMBAY MERCANTILE CO-OPERATIVE BANK LTD.

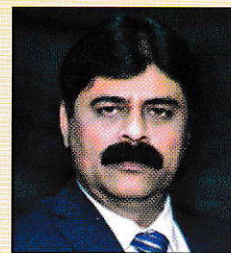
(Scheduled Bank)

Volume: VIII | Issue: 11 | 1st March 2023

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HAPPY 8TH NEWSLETTER ANNIVERSARY

Welcome to the March 2023 edition of the Newsletter. I thank you for using the Newsletter as a reliable source to enhance and update your professional knowledge. It has been eight years since the bank has been publishing the fortnightly Newsletter. The bank published the first edition of the fortnightly Newsletter in February 2015. Since then, our continuous endeavor has been to impart knowledge to our staff members through the Newsletter.



The month of February has ended and we have a few days left for the closing of the financial year 2023. During this short period of time, we have to work as a team to achieve all our targets for deposit mobilization, advances, share capital, recovery of advances, NPAs, etc. The performance appraisal process has already been initiated and based on the performance the deserving staff members would be suitably appreciated and rewarded. I wish all the staff members the very best for a bright career.

The Union Budget 2023-24 was presented by the Hon'ble Finance Minister on the 1st of February 2023. The key highlights of the budget which are relevant to the banking sector have been covered in brief in this Newsletter.

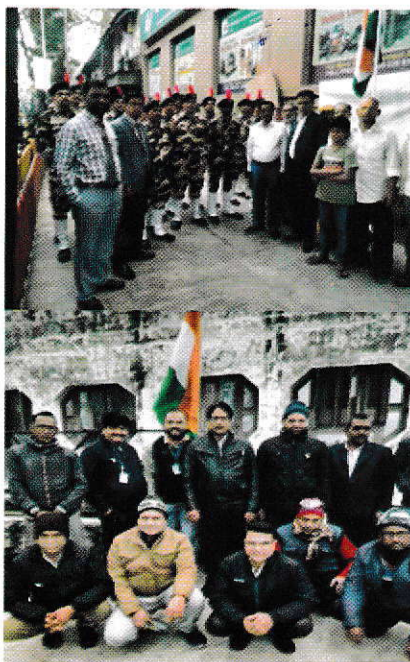
I am pleased to convey that our bank is in the process of getting the necessary licenses for conducting the insurance and mutual funds businesses which would be launched at the beginning of the next financial year. Our best is yet to come.

Best wishes to all of you.

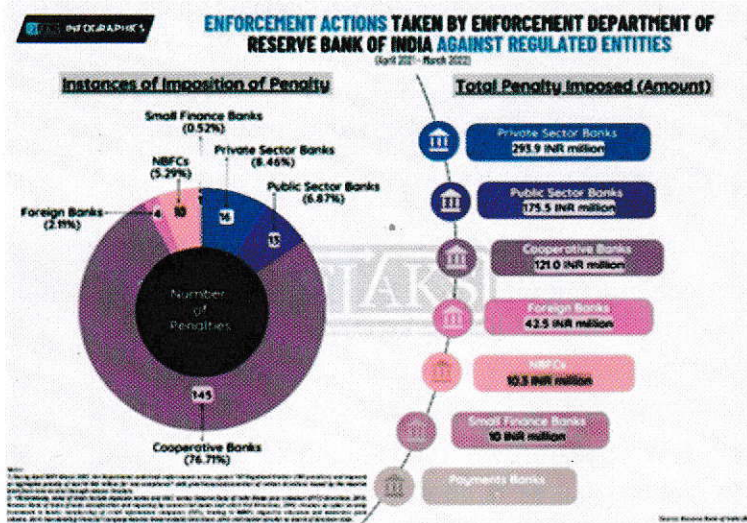
ZEESHAN MEHDI

BMC BANK NEWS

On the occasion of 74th Republic Day, our bank employees unfurl the Indian National Flag at BMC Bank Head Office and various branches across India. Here's a glimpse of the celebrations at Mumbai and Cstn branches.



KNOWLEDGE HUB



8+8+8 Rule



Distribute your day into **8+8+8** hrs to make a good balance sheet of your life.

- **8 hrs** of honest hard work,
- **8 hrs** of good sleep and
- **8 hrs** should be spent on (3Fs, 3Hs, and 3Ss)

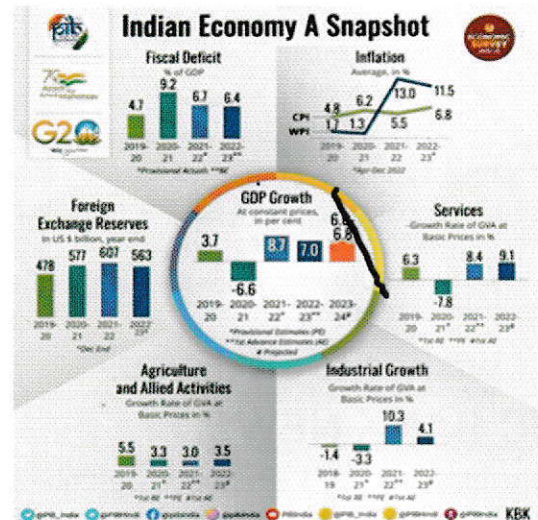
3Fs are family, friends, and faith.

3Hs are health, hygiene, and hobby.

3Ss are soul, service, and smile.

16. TDS on payment of certain amounts in cash [Refer section 194N]

- TDS @ 2% is applicable on cash withdrawals above Rs. 1 crore.
- However, in case of a person who has not filed returns of income for the past three assessment years relevant to three previous years for which time limit to file return u/s 139(1) has expired the applicable TDS rate is 2% on cash withdrawals in excess of Rs. 20 lakh and upto Rs. 1 crore and 5% on withdrawals above Rs. 1 Crore.



RBI NEWS

RBI released the list of safe banks, know where your money is safe

RBI had recently released the list of Safest Bank in India. The names of these banks are HDFC, ICICI and SBI. These banks are also called D-SIBs. D-SIB stands for Domestic Systemically Important Bank. RBI releases their list every year. These are such banks whose collapse can greatly affect the economy of a country. In short, they cannot be allowed to drown. But how these banks are selected, how it is known, it is very important for the country's economy. Also, when was the need felt to make a list of such banks. Today we will try to tell you this. Along with this, we will also see on what basis a bank is called D-SIB.

GLOBAL RECESSION

During the global recession in 2008, instead of handling the economy, big banks also collapsed. In such a situation, big countries got stuck in trouble. Then it was felt that some such banks would have to be selected which would work to support the country's economy in times of such trouble. If there is any problem on these banks, then the government will work to save them. This is where DSIB started.

FIRST LIST-

In the year 2014, RBI created a framework for this. Started releasing the first list of DSIB from 2015. First in the list, SBI and ICICI Bank made it to the list. After this, HDFC Bank also joined in 2017.

WHICH BANKS ARE INCLUDED-

Those banks are included in the list of DSIB banks. Whose total assets are more than 2 percent of the country's GDP. On the basis of their importance, they are put in five different categories. These are placed in increasing order from one to five. The bank that comes on the fifth position is the most important.

At present, there is no bank in the country here. ICI and HDFC Bank are currently on the first rank, while SBI is on the third rank. Some rules also apply to these banks. For example, they have to put some part of their risk weighted assets in Tier-1 capital. Tier-1 capital mainly consists of liquid assets such as stocks and cash.

NATIONAL NEWS

Key Highlights of Union Budget 2023-24

Union Budget 2023-24 has been presented by Finance Minister on **01st Feb 2023**. The **key highlights** of the budget which are more relevant to **banking professionals** are captured in this article.

The **budget 2023-24** stands on **3 Visions** (Opportunities for citizens with focus on the youth, growth & Job creation and Strong & stable macro economic environment) and **Seven priorities- "Saptarishi"** (Inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power and financial sector).

Financial sector has witnessed considerable achievement with **7,400 crore** digital payments of **₹126 lakh crore** has taken place through **UPI in 2022**, **47.8 crore** PMJDY accounts, **Insurance cover for 44.6 crore** persons under **PM Suraksha Bima** and **PM Jeevan Jyoti Yojana**.

Outlay for **PM Awas Yojana** is being enhanced by 66% to over **Rs. 79,000 crore**.

Urban Infrastructure Development Fund (UIDF) will be established through use of priority Sector Lending shortfall, which will be managed by the **National Housing Bank**, and will be used by public agencies to create urban infrastructure in **Tier 2 and Tier 3 cities**.

Revamped credit guarantee scheme for MSMEs to take effect from 1st April 2023 through infusion of **Rs 9,000 crore** in the corpus. This scheme would enable additional collateral-free guaranteed credit of **Rs 2 lakh crore** and also reduce the cost of the credit by about 1 per cent.

The maximum deposit limit for **Senior Citizen Savings Scheme** to be enhanced from **Rs. 15 lakh** to **Rs.30 lakh**.

National Financial Information Registry to be set up to serve as the **central repository of financial and ancillary information** for facilitating efficient flow of credit, promoting financial inclusion, and fostering financial stability.

Amendments proposed to the Banking Regulation Act, the Banking Companies Act and the Reserve of India Act to improve bank governance and enhance investors' protection. Also it is proposed to establish a subsidiary of **EXIM Bank** for trade re- financing.

EPF rate to be reduced from **30 per cent** to **20 per cent** on taxable portion of EPF withdrawal in non-PAN cases.

Customs Act, 1962 to be amended to specify a time limit of nine months from date of filing application for passing final order by Settlement Commission.

REGULATORY UPDATES:

RBI has announced in the Statement on Development and Regulatory Policies dated 08.02.2023 a facility to enable all in-bound travellers visiting India to make local payments using Unified Payment Interface (UPI) while they are in India.

Periodic Updation of KYC details of customers

RBI has, from time to time, taken measures to rationalize the KYC related instructions taking into account the available technological options for enhancing customers' convenience within the framework prescribed under the PMLA-2002. Periodic updation of KYC (re-KYC) was simplified in May 2021. As per the present guidelines, if there is no change in KYC information, a self-declaration to that effect from the individual customer is sufficient to complete the re-KYC process. The banks have been advised to provide facility of such self-declaration to the individual customers through various non-face-to-face channels such as registered email- id, registered mobile number, ATMs, digital channels (such as online banking / internet banking, mobile application), letter, etc., without need for a visit to bank branch.

Banks are also required to provide an acknowledgement of the receipt of the KYC documents / self-declaration submitted by the customer. Further, if there is only a change in address, customers can furnish revised / updated address through any of these channels after which, the bank would undertake verification of the declared address within two months.

Timeline for renewal of agreements for existing Safe Deposit Locker-Extension

RBI in August, 2021, had issued revised instructions with respect to Safe Deposit Locker/Safe Custody Article Facility that inter alia required banks to enter into revised agreements with the existing locker holders by January 1, 2023.

However, it has come to the notice of RBI that a large number of customers are yet to sign the revised agreement. In many cases, the banks are yet to inform the customers about the need to do so before the stipulated date (January 1, 2023).

Accordingly, RBI decided to extend the deadline for banks to complete the process of renewal of agreements for the existing safe deposit lockers in a phased manner by December 31, 2023, with intermediate milestones of 50 per cent by June 30, 2023, and 75 per cent by September 30, 2023. Further, banks have been advised to make necessary arrangements to facilitate execution of the revised agreements by ensuring the availability of stamp papers, etc.

Further, in cases where operations in lockers have been frozen for non-execution of agreement by January 1, 2023, the same shall be unfrozen with immediate effect



Congratulations To Young Achievers

**MS. HASAN FATIMA RIZVI D/O MR. MANZAR ABBAS RIZVI, MALAD BRANCH,
STOOD FIRST IN SECOND YEAR OF BHMS FROM I.G.M
MEDICAL COLLEGE HOSPITAL & RESEARCH CENTRE, JABALPUR.**

Win a prize of Rs.1000/- and a certificate of appreciation from the Managing Director for the correct answer with a beautiful slogan concerning banking activity. The slogan should not be more than 30 words. **Send your reply with slogan in sealed envelope mentioning your Name, Code No. and branch to Treasury Department, 2nd Floor, 78 Mohammedali Road, Mumbai – 400 003.**

QUESTIONAIRES

Q.1) TDS is applicable on cash withdrawal u/s 192 of IT act

Ans. (a) True (b) False

Q.2) Outlay for PM Awas Yojana is enhanced over

Ans. (a) Rs. 66,000 crores (b) Rs. 30,000 crores (c) Rs. 79,000 crores (d) Rs. 7900 crores

Q.3) The deposit limit for senior citizens savings scheme enhanced to

Ans. (a) Rs. 15 Lakhs (b) Rs. 20 Lakhs
(c) Rs. 30 Lakhs (d) Rs. 10 Lakhs

Q.4) Customers has to visit branch for re-KYC process

Ans. (a) True (b) False

Q.5) Timeline for renewal of agreement for existing safe deposit lockers extended

Ans. (a) True (b) False

**Your reply should reach
us on or before
15 th March 2023**

Quiz result of VOL VII Issue 10 dated 05.01.2023

Quiz Answer :

1. (b) 2. (d) 3. (b)

4. (c) 5. (Unified Payment Interface)

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Mrs. WAHIDA RAEES SHAIKH, CODE NO. 3714

M.I.S. DEPARTMENT, HEAD OFFICE

"Unlock your potential with BMC Bank. Invest in your future today"

Cash prize and Quiz Competition Certificate is ready and will be delivered to winner during staff function program or seminar by the hands of Managing Director.



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